

THE FUTURE OF THE BILATERAL ALLIANCES: U.S.-JAPAN AND U.S.-REPUBLIC OF KOREA



TRILATERAL U.S.-JAPAN-ROK TRACK II CONFERENCE OCTOBER 3, 2005

**CO-SPONSORED BY THE NATIONAL COMMITTEE ON AMERICAN FOREIGN POLICY (NCAFP),
THE JAPAN INSTITUTE OF INTERNATIONAL AFFAIRS (JIIA)
AND THE
INTERNATIONAL POLICY STUDIES INSTITUTE OF KOREA (IPSIKOR)**

CONFERENCE REPORT

BY DONALD S. ZAGORIA

The National Committee on American Foreign Policy, in cooperation with the Japan Institute of International Affairs and the International Policy Studies Institute of Korea, hosted a meeting of security specialists from the United States and its two Northeast Asian allies, Japan and South Korea, on October 3, 2005, in New York City. Current and former government officials, as well as academics, were in attendance.

This was the second such meeting in the past year. The earlier meeting was held in Tokyo in January 2005. The third round is scheduled for Seoul in April 2006.

The purpose of these trilateral meetings is to provide an opportunity for policy analysts from the three sides to engage in frank and forthright dialogue out of the media spotlight, to talk about current and longer range issues as well as to chart a common strategy for dealing with security challenges. This meeting concentrated on four issues: Japan and the “history” issue; the rise of China; the North Korean nuclear problem; and mechanisms for dealing with regional security.

JAPAN AND THE HISTORY ISSUE

A Japanese participant argued that Japanese nationalism is not rising and that the United States, China and Korea are far more nationalistic than Japan. Rather, Japan is now becoming a “normal” country and there is a natural liberation from past excessive constraints on Japanese nationalism.

The participant then turned to the two main issues that are the cause of a decline in Japan’s relations with its neighbors. The Japanese Prime Minister Junichiro Koizumi’s visits to Yasukuni Shrine have been politicized, he said. Japanese conservatives feel that

it is a natural right to pay respect to the war dead (at Yasukuni Shrine) and these conservatives believe that the Tokyo Tribunal, which convicted Japanese “war criminals” following World War II, was “not perfect” and that there was much distortion of the history of the war. On the textbook issue, the Japanese government allows any publisher to publish whatever they want with only minor checks. The speaker agrees that many of these textbooks do not take the war issues sufficiently “serious.”

The participant said he is optimistic about the future of Japan-Republic of Korea (ROK/South Korea) relations because of the democratization of South Korea (along with Taiwan) since the 1980s. Japan’s normalization of relations with South Korea in 1965 played an important part in the democratization process in the ROK and the fact that the two countries share common values – democracy and a market economy – are important in bringing the two countries closer.

The Japanese participant also said that the Japan-ROK Joint History Research Committee between the two countries has done some very good work and that some Korean historians now recognize that Japanese colonialism led to some positive developments in Korea, especially economic growth, and that colonialism was not all just exploitation. He said, too, that American scholars have played an important role in this process by writing objective accounts of the Japanese colonial era. Above all, said the Japanese participant, it is necessary to put Japan’s colonial role in a comparative perspective.

Turning to Japan-China relations and the history issue, the speaker said that there is a vicious cycle. China has exaggerated Japanese war crimes and some Japanese conservatives deny that such crimes ever took place.

What is needed, he concluded, is an effort to stop the cycle. Both sides must stop politicizing the history issue and leave it to reliable historians. Each country must also stop exaggerating or denying history and instead teach the youth of each country the facts.

Finally, the speaker said that Japan has done most of the things needed to invest in reconciliation with both China and Korea.

An American participant said that Prime Minister Koizumi’s repeated visits to the Yasukuni Shrine have done enormous damage to Japan’s image in Asia and in the United States and, if continued, would do even more damage. Yasukuni, said the American, is not a shrine to the war dead but a shrine to the flawed policy that led Japan into the war. To stop going to Yasukuni is a precondition for Japan improving relations with its neighbors.

A Korean participant agreed that it was necessary to de-politicize the history issue. But some Japanese political leaders continue to deny historical facts and this leads to a deterioration of Japanese-Korean relations.

The Japanese participant responded by saying that he agrees that Japanese diplomats are handicapped by the Prime Minister's visits to Yasukuni and that he has proposed the establishment of an alternate war memorial. He said, too, that he agrees with the Korean observation that some Japanese political leaders deny historical facts.

Finally, the Japanese participant said that American scholars could play an important role in helping to resolve the history issue because they are deemed to be "neutral."

THE RISE OF CHINA

An American participant argued that U.S.-China relations are complex and mixed. In each area of the relationship, there are both positives and negatives.

- In the economic arena, China provides a huge and growing market for the U.S. and exports low priced goods to the United States. Wal-Mart alone now imports \$18 billion worth of goods from China per year. On the other hand, there is a \$162 billion trade deficit, China exports six times more to the U.S. than vice versa, China still does not properly enforce intellectual property rights, and there are rising protectionist pressures in the United States.
- On the energy issue, there are many common interests such as protecting the sea lanes of communication from the Middle East. But there is also competition for resources. This was recently reflected when a Chinese company had to withdraw its bid to take over an American oil company, Unocal, in the face of U.S. public opposition. In addition, China maintains relations with a number of unsavory regimes such as Sudan and Iran; and with its concerns about its energy imports from those countries, China will move to block any action against them – such as against Iran's efforts to develop a nuclear weapons program.
- On the non-proliferation issue, China is cooperating by imposing tighter export controls on nuclear materials and helping the U.S. in dealing with North Korea's nuclear program. However, China does not punish Chinese companies which violate China's export controls and it refuses to use "sticks" against North Korea and Iran.
- In the Asia-Pacific region generally, China insists that it will not try to push the United States out of the region and that the U.S.-Japan alliance is a good restraint on Japanese militarism. Yet China leads the charge on behalf of "Asian-only" regional organizations.
- On Taiwan, China has invited Taiwanese opposition leaders to visit the Mainland but it continues its military buildup against Taiwan and it persists in its policy to isolate Taiwan's elected president, Chen Shui-bian, and the ruling Democratic Progressive Party (DPP).

The American speaker concluded that the next 20 years will be crucial for China's relations with the U.S., Korea and Japan. The United States accepts a legitimate role for China in Asia but China must become a responsible power.

A South Korean speaker stressed China's many weaknesses – corruption, inequality, bankrupt state-owned enterprises and an outdated financial system. He added that there is a dichotomy between China's economic development and the absence of political freedom. The creation of a middle class has historically been the critical factor which triggers a democratic process but in China there are severe constraints on this process.

China is unlikely to be able to challenge the U.S. in Asia but it could become a significant player. Of the three elements of China's foreign policy – traditional, nationalistic and socialist – the first two will have an increasing influence.

The South Korean speaker said that China will seek to separate the U.S. from Japan and that the test for South Korea will be how to cope with a rising China. A rising China is more of a challenge for Korea than an opportunity.

For South Korea, the surge of China means that there will now be two great powers in East Asia – China and Japan. Historically, it has been one or the other – China in the 19th century and Japan in the 20th century. Now South Korea faces both continental and maritime powers. The choice to ally with the maritime powers was simple during the Cold War because of the lack of contact with the continental power. Coping with the rise of China will primarily be a problem for extra-regional powers such as the U.S. and for Japan as South Korea is not able to have much of an influence on the balance of power. Therefore, said the South Korean speaker, South Korea should not tilt either to the maritime or the continental side. It should maintain its alliance with the U.S. and its ties with Japan. South Korea could be a bridge between the continental and the maritime power. What is most needed, he argued, is to make China accountable for international rules and standards. And, the best way to accomplish this would be to create a Northeast Asia security forum which could serve as a “Pax Consultatis” in Northeast Asia.

A Japanese speaker said that the fifth plenum of the 16th Party Congress will meet shortly in China and it will be important to see what the military will get from this plenum. During the Deng Xiaoping era, the defense budget was made subordinate to economic development, but now defense and development are getting equal priority. And the military leaders in China are praising Chinese president, Hu Jintao, for assigning a new “historical mission” to the military. So the bargaining process will continue.

Of concern are an increasing number of incidents of social instability in the countryside and a serious deterioration of governance. In one recent case, the Chinese news agency, *Xinhua*, reported the true facts to the central government and Hu Jintao personally called the county party secretary and told him not to shoot any of the protesting peasants. There is a need for safety valves in China to release the mounting anger and there is much talk about this in the Chinese press.

The rise of Chinese nationalism is neither good nor bad. But the Chinese government is losing control over Chinese nationalism and this could be a reflection of a divided leadership.

There are three sources of tension in the China-Japan relationship. First, the media on both sides tends to feature negative and sensational news. Second, there is a psychological-cultural problem. Japan feels superior to China because it modernized earlier and has become a modern industrial power. But Japan feels inferior in terms of its culture which is derived from Chinese culture. The reverse is true on the Chinese side. China feels inferior because of the lag in its economic and social development. But China feels superior because of its international political position. There is also an assumption by both sides that they are understood by the other side, yet neither side has been very good at inter-cultural communication.

The real issues are territorial and security-related. For Japan, security issues are intense because Japan is closer to China than is the U.S. and Japan is weaker than the United States. So Japan is very concerned about the rise of China and about a confrontation with China in the East China Sea.

A Japanese participant said that although many Japanese diplomats and foreign policy specialists preferred that Prime Minister Koizumi did not continue to visit the Yasukuni shrine, he continues to go because he believes that the Sino-Japanese relationship needs to be restructured. Meanwhile, the Chinese use these visits as a pretext for isolating and embarrassing Japan. China should stop this practice and both sides need to identify their common interests in economics, energy and other issues. If the restructuring of China-Japan relations were to take place, the participant argued, Koizumi would stop going to the shrine.

The same Japanese participant queried the Korean participant about his statement that the ROK could serve as a “bridge.” A bridge to where, he asked. The U.S., Japan and the ROK shared common values, he maintained.

An American participant said that the United States wanted to shift the U.S.-ROK alliance from being an alliance against North Korea to a regional base for American forces. This policy has caused concern in South Korea. How can the two sides bridge this gap?

A Korean participant said that when South Korea refers to the ROK as a “bridge,” it simply means that it is trying to create an environment favorable to peace and stability by facilitating a dialogue and cooperation among the major powers. The ROK, he said, respects its alliance with the U.S. and its friendship with Japan.

THE NORTH KOREAN NUCLEAR ISSUE

The moderator of the panel said there were four issues that needed to be addressed in this panel: first, how to assess the recently signed Joint Statement; second, to ask why North Korea signed it; third, to determine U.S. strategy; and fourth, to inquire about the role of China.

An American participant said that in the Joint Statement, the U.S. has laid out a road map to resolve the North Korean nuclear issue with benefits for North Korea if it abandons its nuclear weapons program. The U.S. has been forthright in saying that it has no intention to attack or to invade North Korea. South Korea came through with an offer of energy assistance to the DPRK and others signed on to this offer. Also, there is discussion of normalizing relations between the U.S. and the DPRK and between Japan and the DPRK. The statement of principles in the Joint Statement is a road map to resolve the problem, said the American.

As to why North Korea signed the Joint Statement, the American said that it is clear that all the countries in the region have come together in a determination to address the North Korean nuclear program and the North Koreans are increasingly constrained and under pressure. They cannot avoid dealing with the issue. Does this mean that North Korea has given up its nuclear weapons and that peace is at hand? No. There is a difficult road ahead.

With regard to U.S. strategy, the American participant said there is not great stomach in the U.S. for a prolonged negotiation. On the one hand, there will be a need for patience and small steps without surprises. While at the same time, there are one or two issues where there is a need to move quickly and to make progress.

The same participant went on to say that China has played a very useful role in the Beijing talks and that the U.S. is having intensive conversations with the Chinese on the question of where to take the process from here. There is also good trilateral cooperation between the U.S., Japan and South Korea.

A Japanese participant said that North Korea's goal at the moment is to buy time and to enter into three bilateral negotiations – with the U.S., Japan and South Korea. Pyongyang, he said, is satisfied with recent developments, and especially since the South Korean Unification Minister visited Pyongyang in June 2005. There could be a second summit meeting between the two leaders of North and South Korea next spring. At that time, North Korea will raise the issue of a Peace Treaty to replace the existing armistice agreement. And there will be a discussion of the denuclearization of the entire Korean peninsula. Kim Jong-il's most important goal, said the Japanese participant, is to preserve the North Korean regime. He also said that it was a good sign that the United States is now directly engaging North Korea; and he predicted that Pyongyang will now move forward with the United States.

The Japanese participant added that North Korea is interested in comprehensive negotiations with Japan. He said that North Korea is preparing for engagement with all three countries – the U.S., South Korea and Japan – and that if it could “get something” it would engage seriously in the six-party process.

A South Korean participant said that much had happened in the last several weeks and that the Joint Statement agreed to in Beijing was similar to the June 1993 Gallucci-Kang Sok Ju statement which became the basis for the 1994 Agreed Framework. What has been

done so far, he continued, is to get a collection of commitments from the various parties. This is a good start and the first tangible outcome of the six-party talks. He said, too, that although there were a lot of uncertainties, there has been a validation of the Beijing process. All of the parties have demonstrated a willingness to negotiate and China's role was "impressive." The next steps will be to prevent North Korea from walking away from the agreement and working out the implementation. This could take a year or more.

A Japanese participant said there is a need for a comprehensive solution and that there is no room for a partial agreement. Also, there is a need for trilateral coordination between the U.S., Japan and the ROK.

Another American participant said that the United States agreed to the Joint Statement for three reasons – there were no other options; the U.S. plate is full; and there was Chinese pressure. He said the North Koreans will continue to play the game of extortion and there is only a small chance of a real deal but that the U.S. and the other parties should go the extra mile in order to obtain a real deal. The American participant said that so long as China and South Korea are both unwilling to pressure North Korea, Pyongyang has little incentive to disarm.

In response to a question about the potential for a Nunn-Lugar type of approach to North Korea, one American participant said that there is a lot of thinking going on about this. As to the virtues of a comprehensive approach, the American participant said that both the U.S. and Japan were focused on nuclear weapons but that China and South Korea were focused on the stability of the North Korean regime. A joint comprehensive approach was therefore difficult to sustain. As to the potential for a Peace Treaty, the American participant said that he is cautious. This would require a North Korean pullback from the demilitarized zone and to ask the North Korean military to give up both its nuclear weapons and its conventional threat would be a difficult proposition.

A South Korean participant said that in order to save the process, it will be necessary to settle for small steps and not wait for a comprehensive resolution. In response to Americans who complained that South Korea is not ready to pressure North Korea, the South Korean participant said that the ROK does favor the "carrot" approach but that it would be able to persuade the South Korean people if there was a need to take a harder line at some point.

REGIONAL SECURITY ARRANGEMENTS

An American participant said there is a good deal of skepticism in the United States about East Asian regionalism for three reasons: first, there is a view that regional trade agreements discriminate against the U.S.; second, there is concern about growing Chinese influence in the region; and third, there is concern that such arrangements would diminish U.S. influence. The speaker said that the U.S. is misguided on all three of these issues.

On growing trade among the East Asian countries, this is inevitable. China is already the largest trading partner for most of the countries in the region. As to concerns about the

rise of Chinese influence, the American participant said that the “East Asian community” is more rhetoric than reality. The problem, he said, is not that the region will keep the U.S. out, but that the U.S. will forget the importance of the region. For example, Secretary of State Condoleezza Rice had recently decided to skip the Association of Southeast Asian Nations (ASEAN) meeting.

The speaker went on to say that the region does not need a new security architecture. What is needed is to reinforce the current security architecture consisting of strong U.S. bilateral alliances together with a forward U.S. presence.

On U.S.-Japan relations, the speaker said there should be neither excessive expectations nor excessive concern. The U.S. has the former and the rest of the East Asia has the latter. Japan is reaching out with a clear vision. There is only a minimal chance of revising the Japanese Constitution and even it were revised, the result would be only a modest change. There are severe constraints on Japan’s military strategy including Japanese public opinion and other strong powers in the region.

A South Korean speaker said that he agreed with the American presentation. East Asian regionalism will not go very far and the U.S. can be comfortable with a “non-security” type of East Asian community. In the meantime, the United States can maintain its bilateral alliances with Japan and the ROK while advancing a system of consultation comparable to that of Organization for Security and Cooperation in Europe (OSCE) which supplemented the North Atlantic Treaty Organization (NATO). The United States does need to be more active in the ASEAN Regional Forum (ARF).

As to the U.S.-ROK alliance, it is an “alliance adrift.” South Korea is uncomfortable with the idea that the U.S. is in Korea in order to defend Japan. Still, the speaker said that he is not pessimistic about the U.S.-ROK alliance. North Korea probably has 10-12 nuclear weapons and this will increase. This will make South Korea dependent on the United States. The difficult thing will be to get by the next few years.

A Japanese participant said that he too agreed with the American presentation. He discussed four issues: Japanese security policy; the bilateral and trilateral security network; the six-party process; and “East Asian community building” and its relationship to the United States.

As to the evolution of Japanese security policy, it has come a long way since the new defense cooperation guidelines with the United States, which were agreed to in 1997. There is now a law on regional contingencies, a program for counter-terrorism, a deployment to the Indian Ocean and Japanese Self-Defense Forces (JSDF) are operating in Iraq. There is likely to be a new law on dispatching the JSDF abroad for humanitarian operations that are sanctioned by the United Nations. And, there may be a revision of the principle of collective self-defense, which is currently prohibited by the Constitution. But there will be no jump in the JSDF operations abroad, only a further evolution.

As to security relations in the region, the United States has expanded its ties with most of the Southeast Asian governments and there is a big need for those countries to be helped by the U.S. military in countering terrorism and piracy, as well as preventing the proliferation of weapons of mass-destruction. On the six-party talks, it is an important mechanism and can be a long-range opportunity. With regard to East Asian community building, there seems to be a lack of interest on the part of the U.S. government. The Japanese participant said that what he envisaged was not a security community or a community based on common values but that an economic community was possible.

An American participant said that the progress in U.S.-Japan defense cooperation has greatly exceeded expectations in the past nine years and for this we had to thank the North Koreans. But, he continued, the U.S. side was too ambitious, as another U.S. participant had already pointed out. Japan is not going to be the Great Britain of Asia and play the role of the “special partner.” Japan and the U.S. are in the same bed with different dreams. The American said too that there would be a continuing role for the six-party process to implement the denuclearization of North Korea.