



Current Regional Security Challenges

U.S, Japan, ROK Trilateral Report

October 6, 2010

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The NCAFP, the Korea Society and the ASAN Institute of South Korea organized a trilateral meeting of American, Japanese and ROK experts to discuss the rapidly changing security environment in the Asia-Pacific region. The conference took place in late September 2010 at a time of rising tensions between China and Japan over disputed islands in the East China Sea, South Korean concern over China's "tilt" towards North Korea in the aftermath of the Cheonan incident, and growing Chinese assertiveness about its territorial disputes with several of its neighbors and its far-flung maritime claims.

A list of participants is included in the appendix.

SUMMARY

1. China's Growing Assertiveness

There is rising concern in Japan and South Korea, as well as elsewhere in the Asia-Pacific region, about China's growing assertiveness on territorial issues, its far-flung maritime claims, and its growing expression of nationalism. In recent months, Sino-Japanese tensions over the Senkaku Islands (the Chinese call the islands Diyaoutai) reached a point where Chinese leaders were refusing even to meet with their Japanese counterparts, demanding Japanese apologies for detention of a Chinese fishing boat captain, scaling back commercial activity and using economic measures against Japan to warn Tokyo about Beijing's willingness to escalate the crisis. Meanwhile, nationalistic Chinese media were fanning the flames. In South Korea, there is growing concern over China's tilt towards North Korea in the aftermath of the sinking of the Cheonan, an ROK naval vessel, in March 2010 and the death of 46 South Korean sailors. An international investigation team concluded that the sinking was the result of a North Korean torpedo. China's invitation to Kim Jong Il, North Korea's leader, to visit China twice in the midst of this development, has caused many in South Korea to reassess relations with China. In recent months, too, Chinese officials have complained bitterly about American military exercises in the Yellow Sea and asserted that China's claims to the South China Sea are a "core national interest."

2. Sea Change in Japan and ROK Strategic Calculations?

Some of the participants believe that this growing Chinese assertiveness has led, or is leading to, a sea change in the strategic calculations of both South Korea and Japan. As China has become more assertive, there is, at a minimum, a growing recognition of limits to the level of cooperation with China. At the same time, there is no appetite either in Tokyo or Seoul for a return to Cold War alignments. Seoul — for reasons of geography, history and a growing economic relationship with China — will continue to pursue a "balanced strategy" between the United States and China, but it will do so with an eye towards maintaining a strong security relationship with the United States as an insurance policy. And it remains an open question as to whether the Senkaku incident will bring a change in Japan's policy towards China, although there has clearly been a marked uptick in Japanese wariness about the PRC's "true intentions" in East Asia.

3. Growing Concerns About China But Don't Overreact

There was a consensus among the participants at the meeting that China's growing assertiveness is raising apprehension both at the elite and popular levels in Japan and Korea about China's long-range intentions, therefore new opportunities to strengthen the U.S.-Japan and U.S.-ROK alliances. But the participants also agreed that the three allies should not overreact to these developments. No one wants to see a Cold War in Asia or unbridled competition and tension. Moreover, it remains unclear whether these developments represent a passing phenomenon or a longer-run trend.

4. Opportunity to Strengthen Alliances

Still, the need to strengthen alliance relations with Washington has become clear in Tokyo and Seoul. The new Japanese government under the premiership of Naoto Kan has signaled an interest in working more closely with the United States on security issues and is giving greater priority to the alliance than to strengthening the East Asian community — a core priority for its predecessor. The U.S. and ROK presidents had already established a strong personal relationship and this relationship has become a valuable component of a bilateral partnership that is stronger than it has ever been. And the traditional weakest link in the triangle — the Japan-ROK relationship — is improving dramatically as a result of growing social and cultural interaction, tourism, the popularity of Korean pop stars in Japan, and the increasing assimilation of Japan's Korean minority. Public opinion polls in both Japan and South Korea show that the public in both countries is becoming more pro-American and the trend is especially pronounced among the younger generation.

5. Obama Administration's Alliance-Centered Policy in East Asia

The Obama Administration is well poised to take advantage of the new opportunities presented by the changed regional security environment. It has made clear that it sees the U.S. future as inextricably linked to the Asia-Pacific region and to the interests of its regional allies. Its policy rests on three pillars: the focal point of its policy is centered on the traditional alliances; it also seeks to deepen engagement with China; and it seeks to reassert its presence in Southeast Asia and to explore the development of a new regional security architecture in which the U.S. will play an important role. The challenge for the Obama Administration will be to develop a new strategic equilibrium that balances U.S. relations with China and the traditional U.S. alliances in Asia without creating a new Cold War.

6. Six Party Talks

All parties want to see an eventual return to negotiations with the DPRK, but they have slightly different expectations of when this should happen. The United States is focused on two legs of the stool — joint military exercises with the ROK and financial sanctions — in dealing with North Korea. But we will eventually need a third leg: diplomacy and direct discussion with Pyongyang. This requires: (1) resolution of the Cheonan issue to the ROK's satisfaction, and (2) DPRK willingness to resume implementation of its obligations under the 2005 and 2007 denuclearization agreements achieved in the Six-Party Talks. A challenge for the three allies in the event of a return to the Six-Party Talks is how to approach the negotiations when (1) none of the parties believe that these talks will lead to actual denuclearization, and (2) the Americans, Japanese and South Koreans have much less confidence in China as an honest broker in the talks in the aftermath of the Cheonan incident.

DISCUSSION ON NORTH KOREA

American Perceptions of the DPRK Issue

One American participant argued that China has “tilted” towards Pyongyang since the Cheonan incident. As evidence, he cited the fact that Kim Jong Il has visited China twice in the past several months (something unprecedented in PRC-DPRK relations); other senior-level visits have taken place between the two countries; there has been a marked strengthening of PRC-DPRK economic cooperation; and China provided critically important diplomatic and political support to North Korea at the U.N. Security Council and in other fora after the sinking of the Cheonan. This suggests that the debate in China over whether to continue the traditional policy of supporting North Korea or to adopt a more even-handed policy in which relations with South Korea are deemed equally important may have been won by the traditionalists. The Chinese have moved to this position, said the American, perhaps out of fear that the North Korean regime is increasingly fragile and that more pressure and sanctions would push the regime over the edge. It is also possible that internal Chinese political developments have made it “safer” or more expedient for Chinese leaders to take a policy approach that is more sympathetic to North Korea.

Whatever the reason, preservation of the existing North Korean regime appears to have become a higher priority for China.

North Korean’s leadership understands that it has China’s support on the vital issue of regime continuity and is now trying to move past the Cheonan incident by engaging South Korea on the resumption of family visits and tourism. The DPRK is also tentatively holding out its hand to the United States, including by inviting President Carter to Pyongyang and making key personnel changes that have elevated several officials associated with U.S.-DPRK negotiations, e.g. Kang Sok-chu and Kim Gye Gwan.

But, said the American, even if the situation is trending towards a resumption of bilateral U.S.-DPRK and then Six-Party dialogue, it is unclear what the Six-Party Talks will discuss if they are resumed. North Korea considers itself a de facto nuclear weapons state, and it now argues that a peace treaty with the United States is a precondition for denuclearization. Such a treaty, in the North Korean view, would require dissolution of the U.S.-ROK alliance, an end to the U.S. “nuclear umbrella,” and the removal of U.S. troops from the Korean peninsula. These are non-starters. Still, concluded the American, talks could be useful for a variety of reasons: to leverage other parties, to explore North Korea’s real bottom line, to explore possible package deals and to explore the potential for a freeze in the DPRK’s nuclear weapons program.

Another U.S. participant observed that the Obama Administration got a North Korea that it did not really expect. It held out its hand to the DPRK, but the hand was slapped away with a missile test and a second nuclear test. Then came the Cheonan incident.

There are now, he continued, two legs to the stool, a series of joint military exercises designed to strengthen the U.S.-ROK alliance and to deter North Korea, and a package of financial sanctions. The third leg to the stool, which we have not yet seen, is the diplomatic leg.

Some in the U.S. government, the American went on, do not believe that the first two legs alone can produce a long-range solution and are a road only to war. Dialogue is needed. So, we have an interest in some form of dialogue.

But such a dialogue has conditions. North Korea must at least express remorse for the Cheonan incident in a way that is acceptable to the ROK. And it must make clear that it is serious about making progress on denuclearization. The United States will not accept a repeat of the past pattern of the DPRK demanding concessions from others just to restart talks. The Chinese position, which North Korea seems to welcome, is first, there needs to be a bilateral U.S-DPRK dialogue. An informal meeting in Beijing would follow this, and this in turn would lead to a meeting of the six parties.

Several challenges exist, however. First, to get back to the talks, North Korea will probably want an end to sanctions. It will be impossible for the United States and others to accept as a precondition. Second, the issue will be whether or not the talks will lead back to denuclearization. Third, the United States, Japan and South Korea now have less confidence in China as an honest broker.

Another American participant, an experienced diplomat, said that the Cheonan incident had had a very big impact on his thinking. First, the sinking of the Cheonan was the most provocative North Korean act since the Korean War and made him wonder about the effectiveness of U.S. deterrence. Second, the Cheonan incident made him wonder if engagement and dialogue with North Korea has had much impact. Finally, the incident has shaken his confidence in our ability to predict what North Korea may do.

South Korean Perceptions of North-South Relations

A South Korean participant began by noting the recent North Korean “charm offensive,” which included proposals for family reunions and resuming military talks. He said the North Koreans might also want high-level talks with the ROK.

The same participant said that North Korea seems prepared to return to the Six-Party Talks if a peace treaty is on the agenda. He noted that North Korea had recently dropped its harder line and speculated that this was so because of Chinese influence.

He went on to observe that the United States supports the ROK, but he believes that Washington is now exploring what he called an “exit strategy,” engaging North Korea directly. He noted that in a presentation delivered at CSIS, Assistant Secretary of State Kurt Campbell recently called for “progress” towards resumption of the Six-Party Talks.

On how to deal with North Korea, the ROK participant said: (1) North Korea now considers itself a nuclear-armed state, and it would be hard, if not impossible, to get it to give up its nuclear weapons. (2) It is his personal view that the Cheonan incident can be separated from the Six-Party Talks. If Pyongyang were to show a “serious” attitude towards denuclearization, e.g., by inviting the IAEA back into North Korea, accepting the need for verification, etc., Seoul would join Six-Party Talks. (3) The United States and the ROK need to prepare for a failure of negotiations and for North Korea to “raise the stakes.” We also need to prepare for a possible collapse of North Korea. On this third point, all participants at the conference agreed on the need for the three countries to engage in contingency planning. It would be important to include China as well, but Beijing resists this as being too sensitive.

Japanese Perceptions of North Korea

A Japanese participant said that North Korea’s objectives have remained consistent in the past two years. These are: (1) to strengthen its bargaining position by conducting successful nuclear and missile tests, and (2) to create conditions for the signing of a peace treaty.

This participant saw no contradiction between engagement with North Korea and planning for worst-case contingencies. Finally, he said that we have to think about North Korea policy not only in terms of deterrence but also as part of a broader policy towards China.

Japan, he insisted, is not pacifist. It began to deploy a ballistic missile defense system as of 2003, and this system will be complete by 2012. Also, Japan has entered into discussion with the United States on the credibility of extended nuclear deterrence. In sum, Japan takes the North Korea threat seriously.

Finally, the Japanese participant said that the new Japanese Foreign Minister, Seiji Maehara, seems ready to separate the Six-Party Talks and issue of the abduction of Japanese citizens by Pyongyang. So, Japan could now engage North Korea in cooperation with the United States and the ROK.

DISCUSSION ON CHINA

U.S. Perceptions of China

An American participant said that recent Chinese assertiveness is due to its growing strength; pride in its performance during the global economic crisis compared to the performance of the United States, the growing role of the PLA, and increased nationalism on the Internet, which presumably reflects public opinion. The key issue in discussing recent Chinese assertiveness is whether this is a permanent shift or a passing phase in Chinese behavior. On this issue, he continued, the jury is still out. Some signs are already evident that the Chinese leadership wants to reduce tensions because it is aware that “blowback” from its actions is driving many Asian countries closer to the United States and because China has huge domestic challenges. So, there are good reasons for Chinese leaders to want to keep things under control.

The same participant went on to say that he had worked on U.S.-China relations for 30-40 years, and he has always ruled out the two extremes. China is not an enemy of the United States. Unlike the Soviet Union, it does not seek to export its ideology or station troops abroad. On the other hand, China is not a real partner of the United States because of its authoritarian political system and the fact that, unlike Japan and South Korea, it does not share our values.

The relationship between China and the United States, he went on, will be sweet and sour for a long time. We can hope that China will gradually become a responsible member of the international community but there is likely to be an increase in tension that needs to be managed. Recent events suggest that there will be more competition and less cooperation in the period ahead.

How should Washington respond to China’s increasing assertiveness? He laid out four courses of action. First, the United States needs to get its own economic and political act together. It must address issues like huge deficits, declining competitiveness, trade and energy policy. It must overcome its toxic political environment in which the center has virtually been destroyed. Second, it should not overreact but continue the current blend of firmness and cooperation with China. Third, it must show, as the Obama Administration is doing, a commitment to the Asia-Pacific region. This includes reengagement in various regional groups, strengthening our alliances with Japan and Korea and improving relations with ASEAN and India, both as ends in themselves and as a hedge against Chinese adventurism. Fourth, we need to take aggressive steps to avoid a trade war with China.

Finally, he concluded, we should continue cooperation with China on the “big agenda” of bilateral, regional and global issues. We need to understand that our policy in Asia will continue to be a combination of balance-of-power politics and a concert of powers designed to encourage cooperative behavior on a variety of global and regional issues.

A second American participant began by observing that for 150 years, Chinese weakness and humiliation by the Western powers and Japan has been a major source of instability in Asia. So, now that China is politically stable, economically strong and militarily stronger, it should not come as a surprise that China will assert itself. It is simply behaving more like other rising powers have behaved over the centuries.

As to why now, the answer is that China now has more power and is determined to use it. Also, there is a growing cacophony of voices within China on security issues, and the Chinese military is one of these voices.

The motivations behind China’s growing assertiveness, this American participant said, are several. First, China wants to lay down some markers on such emotionally charged issues as territory and sovereignty. Second, China is testing U.S. resolve at a time when many Chinese see us as a declining power. Third, Chinese nationalism remains powerful. Fourth, within the Chinese leadership and elite a dialogue is underway as to whether to continue to adhere to Deng Xiaoping’s policy of lying low and biding time or to chart a more high-profile path in the global arena. Finally, the Chinese generally share the view that they need to be more assertive in defining the rules of the international game.

The United States should respond to growing Chinese assertiveness in several ways. First, it should strengthen its own alliances. The key strategic point is that as long as U.S. alliances in Asia, particularly those with Japan and the ROK, are strong, China’s options will be limited. Second, the United States and its allies should make clear to China that bad or bullying behavior has adverse consequences. Third, the United States should demonstrate to China that its “access denial” strategy will not work; it cannot keep the United States away from its own areas of national interests.

Finally, this U.S. participant concluded, it is still an open question whether China accepts the status quo or not. But he agreed with the first American speaker that we will see more competition than cooperation in the future.

The first American participant commented that China has a right to try to modify the international system to reflect new power realities, but he said we should separate out the legitimate areas (e.g., giving new authority to the G-20 and reshaping international economic groups) from the illegitimate areas (e.g., redefining human rights) of Beijing’s current policies.

Japanese Perceptions of China

A Japanese speaker said that China's recent assertiveness on the Senkakus and other issues raises the question of whether China will be a status quo power which accepts the existing international order or whether it will seek to alter the existing world order to its advantage. Does China accept the rules and norms of the international order, or does it want to change the rules?

The way to deal with China, he said, is both to engage it and to dissuade it. The acrimonious dispute over the Senkakus, he went on, could be a watershed psychological moment for Japan. This is the first time in the postwar period that Japanese territory is being threatened by a foreign country. Prior to this, most Japanese did not see China as a threat. Now, the mood in Japan has changed. The mass media, even that on the left, is pressing the government to respond firmly. But, he concluded, it is still too early to see where Japan's policy towards China will go.

Korean Perceptions of China

A Korean participant began by noting that there are several factors behind the ROK's China policy. First is what he called the "burden of the past," namely that the ROK wants normalization of relations with China more than China wants normalization with the ROK. Second, there is the weight of the China market. South Korea is "addicted" to the China market and to the trade surplus it enjoys with China. Some 80% of the ROK's total trade surplus can be accounted for by exports to China. The situation, he said, is not interdependence but dependence. Third, China has created the image in South Korea that it plays an indispensable role in resolving the North Korea issue. Finally, a new generation of South Koreans is being educated in China.

The Korean speaker went on to observe that China is now becoming more assertive on the U.S.-ROK alliance. In the past, it was willing to accept the alliance as a matter for the United States and the ROK to deal with. Now, it offers South Korea "advice" on what the ROK should and should not do. China is also very sensitive about its territorial dispute with the ROK.

As to what to do, the speaker concluded by saying that ROK options vis-à-vis China are limited. But he said that the ROK government has become "too timid" in dealing with China. His major piece of advice to the ROK government is to deal with China in a collective setting that includes Japan and ASEAN, because China is more vulnerable to collective than to unilateral pressure.

STATE OF THE ALLIANCES

Japanese Perceptions of the Alliance

On this question, a Japanese participant said that the U.S.-Japan alliance is unstable now for several reasons. First, the new DPJ government in Tokyo lacks experience in governing and in pursuing a complex security strategy. Prime Minister Kan's only prior experience was as Minister of Welfare. Second, the younger DPJ politicians need to improve their public relations with the Japanese public. Third, there was no clear winner in recent elections. The LDP lost, but the DPJ did not necessarily win. Fourth, tension exists between Prime Minister Kan and the Ozawa group in the DPJ. So, there are three different forces, two in the DPJ and the LDP. Fifth, the DPJ is ridden by scandals. Finally, Washington has lacked contacts with the DPJ.

Nevertheless, he sees some positive factors. President Obama and the DPJ are eager to promote a global agenda that includes the environment, climate change, etc. Second, China's recent bullying of Japan over the disputed territory in the East China Sea has reminded the Japanese public of the importance of the alliance. Third, the rise of China has limits because of Chinese vulnerabilities and domestic challenges.

The Japanese participant concluded by saying that the alliance with the United States needs a "new identity" that stresses its global mission and the importance of enhancing human networks.

Korean Perceptions of the Alliance

A Korean participant stressed that the triangular relationship involving Japan, the ROK and the United States lags behind the triangular relationship involving Japan, the ROK and China. He said the solution to this problem is to upgrade the trilateral security component in the Japan, ROK, U.S. triangle, to pass both a three-way Free Trade Agreement and the U.S.-ROK Free Trade Agreement (KORUS), and to revive the Trilateral Coordination Group for dealing with North Korea.

Relations between Japan and South Korea are helped by a clear improvement in public attitudes.

U.S. Perceptions of the U.S.-ROK Alliance

A U.S. participant said that the U.S.-ROK alliance is on a much sounder footing today than it was in the Bush-Roh era. One of the major reasons

for this is the strong personal relationship between President Obama and President Lee Myung Bak. The two allies should use this relatively positive period in the alliance to hedge against future uncertainty. They need to better align their planning processes and strengthen political coordination on key issues.

With regard to North Korea, the American said that the two allies see eye to eye on the importance of denuclearizing North Korea and that it is right for South Korea to be in the lead on the North Korean issue. But, he warned, if we seek to coordinate policies towards North Korea, the matter will become more complex.

With regard to China, he said that the Cheonan incident has caused a reevaluation in South Korea over relations with China. It was, he said, a wake-up call and the most serious crisis since normalization in 1992.

There remain a number of challenges in the alliance, most notably how to define and proceed on the issue of “strategic flexibility.”

American Perceptions of the U.S.-Japan Alliance

A U.S. participant said that reassurance is the name of the game in the U.S.-Japan alliance. In 2008-2009, Japan needed reassurance that the Democrats would not harm the alliance; in 2009-2010, the United States to be reassured that the DPJ will not harm the alliance.

Second, what is happening in Japan is a long-range process of political change. The real story is generational shift in the Japanese ruling elite. The next generation is now coming to the fore, and Japan’s 48-year-old Foreign Minister Seiji Maehara is a good example of this.

Third, although the Obama Administration has had a bumpy ride with Japan because of the Futenma base issue, with which we have been dealing for 13 years, the two allies have cooperated on Iran, Afghanistan, North Korea and other issues.

Fourth, the clear U.S. statement of its position on the Senkaku issue (that the alliance pertains to all territory administered by Japan) has had a reassuring effect in Japan.

Finally, the American called for shaping the U.S.-Japan-China triangle in a way that ensures it does not become a zero-sum situation.

Another U.S. participant believes that the Obama Administration’s getting its alliance-centered Asia policy just about right and there is little criticism of that policy in Asia. In Japan, he went on, the United States is now dealing with a different government than it was just a few months ago. The new Japanese Prime Minister, Kan, is not romantic about the East

Asian community. He is worried about the Chinese military buildup and understands that Japan's first priority is the alliance with the United States. The younger generation in Japan, he said, is emotionally detached from the United States, and there has been a "stunning change" in attitudes towards Korea. Many Japanese are enthusiastic about Korean popular culture, two-way tourism is growing, more Koreans in Japan are taking Japanese citizenship, and the new Japanese leaders have many Korean friends. All of this creates the basis for a new U.S.-Japan-ROK trilateralism that did not exist before.

Another American participant said that the goal of U.S. policy in Asia now should be to create a new strategic equilibrium with China without a new Cold War. We need to recalibrate our relations with China and to shape Chinese thinking. Our aim should not be to exclude China from the new order in Asia.