Secretary of State Hillary Clinton’s choice of Japan, Indonesia, South Korea, and China for her first official trip overseas helped shine a spotlight on Asia as a high priority region this quarter, as did North Korean Dear Leader Kim Jong-il’s announcement that he intended to conduct a satellite launch in early April. The drama surrounding the anticipated launch provided an unfortunate backdrop for otherwise very positive pronouncements about intended Obama administration policies in East Asia, even if the quarter closed with only a handful of those eventually to be tasked with implementing these policies at their desks. ASEAN leaders finally held their postponed summit and celebrated the entry into force of their much-maligned Charter. Meanwhile, Australian Prime Minister Kevin Rudd visited Washington to underscore that the U.S. and Australia are still “mates,” even as his reluctance to send more combat forces to Afghanistan foreshadowed the difficulty President Obama faces in getting allies to sign up for his “surge” there. Finally, economic forecasts kept being adjusted downward as Asian leaders prepared for the G20 summit in London in hopes that this would bring a turnaround.

Six-Party Talks: lots of rhetoric but little movement

We normally start our regional overview with an update on the Six-Party Talks. We can sum it up in two words: nothing happened. On the plus side, five of the six members repeated their commitment to the process, beginning with new U.S. Secretary of State Hillary Clinton, who stressed the importance of continuing this dialogue as the best vehicle for engaging Pyongyang and bringing about the mutually desired Korean Peninsula denuclearization. We say “mutually desired” since even Pyongyang continues to assert that this is the North’s ultimate objective; they just appear to be in less of a rush to get there than the other parties.

Pyongyang also appears most eager to kill the six-way dialogue or at least hold it hostage to other events, asserting that if the UN Security Council dared to even discuss the North’s satellite launch [which at this writing it was doing, without a great deal of success], this would mean an end to the talks. Pyongyang would clearly prefer direct dialogue with Washington alone, although it is hard to see how its current behavior will enhance the prospects of this happening.

When is ballistic missile activity not ballistic missile activity?

The missile launch drama began early in the quarter when intelligence sources reported seeing launch preparations underway at the North’s ballistic missile test facility shortly after President Obama was inaugurated. This impending missile activity prompted calls from pundits (not to
mention legislators and even some government officials) in Washington, Tokyo, and elsewhere, to shoot down the missile, or better yet (their caveat, not ours), to destroy it on the launch pad before it could be fired, given its potential threat to Japan and to locations as far away as Alaska or even Comparative Connections headquarters in Hawaii. Cooler heads obviously prevailed, but the sense of helplessness felt in Tokyo is sure to stimulate discussion not only on enhanced missile defense but perhaps on developing an offensive missile capability as well.

The North’s bellicose behavior was disappointing and potentially counterproductive. Why would any country think it in its interest to be the first to test the resolve of a new administration, especially one in the process of reviewing its policy toward your nation? But it is hardly surprising, given the tepid response to past provocative actions.

It should be noted that under normal circumstances, North Korea would have as much right to launch satellites (or even test missiles) as South Korea, the U.S., or anyone else. But these are not normal circumstances. Pyongyang’s 2006 missile launches and nuclear test prompted two stern UNSC resolutions (UNSCR 1695 and 1718). These “demanded” a halt in all ballistic missile activity; the second even authorized Chapter VII enforcement mechanisms in the case of noncompliance, but with the caveat that only “measures not involving the use of armed force are to be employed to give effect to its decisions” and then, only after additional UNSC consultation.

This is hardly a deterrent. Nor have the “mandatory” actions, which prohibited the export to North Korea of military hardware and “luxury goods,” been aggressively implemented by neighboring countries (like China, Russia, and even South Korea, despite the more conservative nature of its current government); they continue to provide Pyongyang a lifeline with few if any strings attached. More importantly, the UNSC prohibition against providing any outside support to Pyongyang’s missile programs clearly did not have the intended effect of making such launches impossible in the future.

Incredibly, there is not even consensus among the major actors as to whether this announced satellite launch violates the UNSC resolutions: Washington, Tokyo, and Seoul said it does; Beijing and Moscow seem less sure. What part of the phrase “shall suspend all activities related to its ballistic missile programme” don’t they understand? Even a cursory reading of the two resolutions reveals that “all” means “all,” including “launch[ing] an object propelled by a missile.”

That the North was intent on going ahead with their ballistic missile launch – despite nearly unanimous urging from the rest of the world (some using stronger language than others) that it refrain from such an action – appeared clear at quarter’s end [the launch took place on April 5; its implications will be covered in more detail next quarter]; the reasons why it choose to go down this path remain open to wide speculation. The probability that this could very well force a hardening of the current more flexible U.S. position toward direct negotiations with Pyongyang seems to have escaped North Korean Dear Leader Kim Jong-il completely. Or, perhaps he believes that such confrontational behavior will (as all too often in the past) increase rather than decrease the prospects for dialogue on his terms. Or, perhaps it signals that there is no interest in Pyongyang for dialogue on the nuclear or missile issue with anyone – at least not until it gets some new tests of its thus far marginal capability. At a minimum, the North is once again
successfully diverting attention from the real problem at hand, which is dealing with Pyongyang’s nuclear weapons capability.

Responses to the threatened satellite launch seemed to fall into three general categories. Some believed that a missile launch would provide final proof (not that they believed any further proof was needed) that the North has no intention of cooperating with the West and thus regime change is the only viable option. On the flip side, others argued (whether they truly believed it or not) that a satellite launch would not be a violation of UNSCR 1695/1718 and that the U.S. and others should not push for additional punitive measures. The important thing was to keep engaging the North, regardless of its provocations, and UNSC action could put the Six-Party Talks at risk. Straddling the middle ground were some (like us) who saw a firm U.S. and UNSC response as absolutely essential to maintain solidarity with our Korean and Japanese allies and to try to preserve some semblance of credibility for the UN, while still cautioning against over-reaction and hoping the six-party process could be kept alive. The Obama administration appears to be leaning toward the third option. But it seems fair for even optimists and engagers to begin to ask at what point does pursuing regime change – and there are many nonmilitary ways to follow this path – become the best or only viable option for achieving Korean Peninsula denuclearization?

Clinton puts Asia first

In an important signal that the Obama administration “gets it,” Secretary of State Hillary Clinton made her first visit abroad as secretary of state to Asia, visiting Japan, Indonesia, South Korea, and China. She previewed the trip in a speech to the Asia Society just before her departure. During the discussion, she noted that “our new administration wants to focus a lot of time and energy in working with Asian partners and all the nations in the Pacific region because we know that so much of our future depends upon our relationships there. And we equally know that our capacity to solve a lot of the global challenges that we’re confronting depends upon decisions that are made there. …there has been a general feeling that perhaps we didn’t pay an appropriate amount of attention to Asia over the last years, being very preoccupied with other parts of the world, so I wanted to start at the very beginning demonstrating our commitment there.”

In the speech, she explained the U.S. desire “for more rigorous and persistent commitment and engagement, ready to work with leaders in Asia to resolve the economic crisis that threatens the Pacific as much as any other region, ready to strengthen our historic partnerships and alliances while developing deeper bonds with all nations, ready to help prevent the proliferation of nuclear weapons in Asia, ready to expand our combined efforts on 21st century challenges like climate change and clean energy, pandemics, and income inequality.”

Setting the tone for her trip (and Obama’s subsequent trip to Europe), she said that she was prepared to reach out, not only to governments but to civil society as well, and to “actively listen” to partners. The U.S. “is committed to a new era of diplomacy and development in which we will use smart power to work with historic allies and emerging nations to find regional and global solutions to common global problems.” High on her list of priorities is a response to the global economic crisis, energy policy, and tackling climate change.
The trip went well and Clinton received high marks for her performance throughout the tour. (For details of each stop, please see the respective chapters in this issue of *Comparative Connections*). She calmed Japanese fears about the new administration by reaffirming the U.S. commitment to the alliance, voicing sympathy for the families of abductees, and extending an invitation to the White House for beleaguered Prime Minister Aso Taro. In meetings with South Korean President Lee Myung-bak, Prime Minister Han Seung-soo, and Foreign Minister Yu Myung-hwan, she spoke highly of the U.S.-ROK alliance, thanked Seoul for its support in Afghanistan, and confirmed the U.S. commitment to the Six-Party Talks and denuclearization of the Korean Peninsula. She also warned Pyongyang that it was “not going to get a different relationship with the U.S. while insulting and refusing dialogue with the Republic of Korea.”

The stop in Indonesia may have had the most symbolism, given the years Obama spent there as a child and U.S. efforts to reach out to the Muslim world. She became the first secretary of state to visit the ASEAN headquarters, and said the U.S. was beginning the process to accede to ASEAN’s Treaty of Amity and Cooperation, which would then allow the U.S. to join the East Asia Summit. While meeting ASEAN Secretary General Surin Pitsuman, Clinton committed to attending the ASEAN Regional Forum (ARF) ministerial meeting in Thailand on July 27. In Jakarta, she also met President Susilo Bambang Yudhoyono and Foreign Minister Wirajuda.

Finally, in China she met with the highest level of Chinese officials and held talks that covered a wide range of issues. She committed to an enhanced high-level dialogue that would combine strategic, economic, and development issues while staking out her leading role in that process. The presence of Todd Stern, the climate change envoy, also signaled the priority the U.S. gives that issue, generally and in relations with China in particular – the U.S. and China combined account for 40 percent of the world’s total greenhouse gas emissions.

The trip to Asia underscored elements of continuity and change in the Obama administration’s Asia policy. Generally speaking, her visits in Northeast Asia – to Japan, Korea, and China – represented continuity; her trip to Indonesia signaled change. It wasn’t just business as usual with Northeast Asia, however. Secretary Clinton stressed that this administration would spend more time listening and responding to the concerns of its allies and partners (not to mention opposition politicians like Democratic Party of Japan leader Ozawa Ichiro) and would not neglect the region despite preoccupation with serious challenges elsewhere. She also stressed at each stop, but especially in China, the need to cooperate to address the serious transnational challenges posed by climate change. But basic policy – alliances come first and engagement (vice containment) of China – reflected continuity with previous administrations.

All in all, Clinton’s trip successfully accomplished its main missions: it reassured America’s allies and partners that the U.S. was committed to the region and its alliances, that it wanted a cooperative relationship with China, that it would hold fast on Washington’s denuclearization demands even while reaching out to Pyongyang, and that it would become more proactively engaged in Southeast as well as Northeast Asia. The enthusiastic reception she received at every stop also indicates that U.S. “soft power” may indeed be making a comeback with the advent of the new administration.
Some friendly advice

If the new administration needs guideposts for its Asia policy, the Pacific Forum CSIS, along with four other think tanks – the Center for A New American Security, the Center for Naval Analyses, the Institute for Defense Analyses, and the Institute of National Security Studies at the National Defense University – provided them in their The United States and the Asia-Pacific Region: Security Strategy for the Obama Administration. The report, previewed in last quarter’s regional overview, was officially released in March and is available at the Pacific Forum website (http://www.csis.org/media/csis/pubs/issuesinsights_v09n01.pdf), among others. Now all that’s needed is an Asia team in place to implement these policies. While there were lots of assumptions and indications, the quarter ended without assistant secretaries for Asia at either State or Defense and with no ambassadors identified for key Asian giants such as Japan, China, and India.

ASEAN summit (finally) takes place

Despite Secretary Clinton’s (and Kim Jong-il’s) attempts to shine a spotlight on Asia, the region’s main multilateral event of the quarter went largely unnoticed. The 14th ASEAN summit, celebrating “ASEAN Charter for ASEAN Peoples,” originally slated for Thailand in December (and postponed after protestors shut down Bangkok’s two major airports and threatened demonstrations to disrupt summit-related events), finally took place in Hua Hin, Thailand on Feb. 28 - March 1, 2009. Normally, the ASEAN summit is part of a multi-stage extravaganza, further highlighted by an ASEAN Plus Three (APT) summit with China, Japan, and South Korea and the broader East Asia Summit (EAS), which adds Australia, New Zealand, and India to this mix. This time, the decision was made to postpone the APT and EAS events – they are now scheduled for April 10-12 in Pattaya, Thailand, which lowered the international spotlight still further. At quarter’s end, red-shirted protestors associated with former Prime Minister Thaksin were already gathering in Pattaya to try to disrupt these events. Taking a page out of the former anti-government yellow-shirted protesters who helped bring Prime Minister Abhisit Vejjajiva to power; as part of their emulation campaign, they seized Abhisit’s Bangkok offices on March 27.

Had the international press paid more attention to the 14th ASEAN summit, they still would not have had a great deal to report. The assembled ministers celebrated the Dec. 15, 2008 entry into force of the ASEAN Charter and “mandated all ASEAN organs to be guided by and to fully implement the ASEAN Charter.” ASEAN leaders signed a number of trade agreements aimed at forming an “integrated economic community,” albeit without a common currency, by 2015. They issued a press statement on the global economic and financial crisis that stressed the importance of “macroeconomic policy coordination, standing firm against protectionism, implementing the ASEAN Economic Community Blueprint, and intensifying efforts for a strong Doha Development Agenda outcome,” while also calling for “bold and urgent reform of the international financial system.” The also unveiled ASEAN’s new “national song,” entitled “The ASEAN Way,” which ends with this lofty proclamation: “We dare to dream, we care to share. Together for ASEAN.”

To the extent anyone paid attention to the meeting, it was to assess its progress in establishing the ASEAN Human Rights Body (AHRB) called for in the Charter but as yet largely undefined.
The Chairman’s Statement did indicate that a first draft of the terms of reference for the AHRB had been submitted and that the goal was for the body to be “inaugurated and operationalized” by the 15th ASEAN Summit meeting in late 2009. But little detail beyond this was provided and most observers remain skeptical, despite the assertion that the establishment of the AHRB “to promote and protect human rights of ASEAN’s peoples would be one of the most important undertakings to make ASEAN a genuinely people-oriented community.” To this end they encouraged the Myanmar (Burmese) government “to facilitate the national reconciliation process,” further pointing out that “the release of political detainees and the inclusion of all political parties leading to the general elections in 2010 will contribute significantly to the national reconciliation process.” Few were willing to take bets that Rangoon’s “roadmap toward democracy” would lead toward anything other than more repression but it does provide a yardstick with which ASEAN and Washington could begin to measure the ruling junta’s promises if both were really inclined to take the fresh approach toward Burma hinted at by Secretary Clinton during her visit to the ASEAN Secretariat in Jakarta.

**Rudd-Obama: best of mates!**

On March 24, President Obama had “an excellent meeting” with Australian Prime Minister Kevin Rudd, the high point of Rudd’s whirlwind tour of Washington. His visit included chats with Defense Secretary Robert Gates, Energy Secretary Steven Chu, Speaker of the House Nancy Pelosi and others on Capitol Hill, including Sen. John McCain, who Mr. Obama bested in last November’s vote, and World Bank President Robert Zoellick. Mr. Obama continued the bonding with Australia that began under different administrations in both capitals, noting that “there are very few countries that are closer than the United States and Australia” and he applauded Mr. Rudd for having “the kind of vision not just domestically but on the international stage that we greatly admire.” Mr. Rudd reciprocated those warm words, calling theirs “a first-class alliance and it's a first-class partnership between our two countries.”

In their talks, they discussed Afghanistan – Australia received Mr. Obama’s thanks for its support there – and promised close consultation as the U.S. completes its strategic review of the situation. Having already deployed 1,000 soldiers, Canberra is reluctant to send more troops to that troubled country. The bulk of their time was taken up with the financial crisis and the most effective response to it. Rudd welcomed the return of “U.S. global economic leadership.”

Climate change was another big topic. As Rudd explained, “It presents challenges and it presents opportunities.” Here the change of administrations in both capitals augurs well for the relationship since the two governments are largely in sync in their thinking about the importance of this problem and the need to move forward on it.

**Grim economic tidings**

The economic outlook was bad, and it’s looking worse. The most significant development this quarter was the marking down of regional forecasts by institutions that track these things. At the end of March, the World Bank released new estimates for East Asia: it now anticipates 2.1 percent growth for the entire region for 2009, less than half of the 4.4 percent estimated in November 2008; 2010 growth is now pegged at 4.4 percent, a drop of 1.6 percentage points from...
the 6.0 percent growth forecast in November. The World Bank also anticipates 3.7 percent growth for South Asia, a decline from previous forecasts of 5.4 percent growth, and down from the 5.6 percent recorded in 2008.

The Asian Development Bank (ADB) is a little less gloomy, but only just. Its *Asian Development Outlook 2009*, released just before the end of the quarter, forecasts 3.4 percent growth for developing Asia in 2009, down from 6.3 percent in 2008 and 9.5 percent in 2007. This is the region’s worst performance since the 1997-98 Asian financial crisis. Fortunately, most regional governments are better equipped today to handle the downturn — they have large foreign exchange reserves — a lesson learned from the crisis of a decade ago.

Still, the numbers are stunning. The ADB anticipates economic growth in East Asia will drop to 3.6 percent in 2009, almost half the 6.6 percent recorded in 2008, and a plunge from the 10.4 percent of 2007. Southeast Asia is expected to expand just 0.7 percent this year, plummeting from 4.3 percent growth the year before. The economies of Malaysia, Singapore, and Thailand are expected to shrink. The ROK is anticipated to experience a 3 percent contraction, more than Hong Kong (a 2 percent decrease) but less than Taiwan (4 percent shrinkage).

Most eyes are focused on China. For years, the Beijing leadership and most observers have believed that China must sustain 8 percent growth to accommodate new graduates, migrant workers from the countryside, and displaced workers from former state-owned enterprises. The World Bank forecasts that China’s economy will grow 6.5 percent this year, a respectable sum, but below that threshold. The ADB is slightly more optimistic, anticipating 7 percent growth in 2009, with a return to 8 percent in 2010 if the country’s fundamentals remain strong. The OECD is even more pessimistic, forecasting 6.3 percent growth this year.

Key to China’s future — and that of Asia as a whole — is a recovery of demand in foreign markets. The region continues to rely on exports to drive national economies. With the U.S. and European economies forecast to contract 2.4 percent and 2.7 percent respectively, and Japan’s economy doubling those numbers (5.3 percent, says the World Bank), that is a forlorn hope. Some effort has been made to boost domestic demand, but there is no sign of a real shift to permanent domestically driven policies.

To their credit, regional governments have taken steps to help fight the crisis. In February, finance ministers from the ASEAN Plus Three countries agreed to expand the Chiang Mai Initiative from $80 billion to $120 billion. This facility provides funds to countries experiencing liquidity problems. The protection may prove more psychological than real — it isn’t clear how the funding mechanism would work and whether the sums are substantial enough to turn a financial tide — but it is an important sign of “community” for the region.

One significant and symbolic development has been the resort to the G20 as the forum to deal with the global crisis. While the G20 may yet prove to be too unwieldy to produce results, the sidelining of the G7 as the “go-to” forum for economic diplomacy is a portent. Just one Asian nation — Japan — had entered those ranks as a member of the G7. The G20 includes China, Indonesia, India, and Japan, and the ASEAN secretary general attended the London meeting as well. That is a substantial increase in Asia’s voice and a tangible indication of “Asia’s rise.”

Regional Overview April 2009
Looking ahead

The next quarter has already begun. During Obama’s trip to Europe, he made an important statement on U.S. nuclear policy that has potentially profound implications for engagement with Asia: we’ll examine it in detail in our next issue. Similarly, Defense Secretary Gates’ proposals to reconfigure defense spending could impact the region; we will take that up as well in the next quarter. Meanwhile, the world will wait to see how the economic situation develops and what response greets North Korea’s missile/satellite launch of April 5. Most expect the economy to continue to slide and for the international community to do little to rebuke Pyongyang.

Regional Chronology
January-March 2009

Jan. 7-8, 2009: U.S. Deputy Secretary of State John Negroponte visits China to mark 30 years of diplomatic ties and give the Bush administration’s farewell to the Chinese leadership. He meets Vice President Xi Jinping and Foreign Minister Yang Jiechi.

Jan. 10-11, 2009: Japanese Prime Minister Aso Taro visits South Korea and meets President Lee Myung-bak.

Jan. 10-12, 2009: Japanese Foreign Minister Nakasone Hirofumi visits Thailand, Cambodia, and Laos; meets his counterparts; and signs agreements on demining activities and economic cooperation.

Jan. 13, 2009: World Health Organization invites Taiwan to participate in International Health Regulations (IHR).

Jan. 13, 2009: North Korean Foreign Ministry statement calls for “free field access” to ensure there are no nuclear weapons in South Korea. The statement also says that the North will not to give up its nuclear weapons until the U.S. drops its “hostile policy” and establishes diplomatic relations.

Jan. 14, 2009: The Shanghai Cooperation Organization (SCO) holds a deputy foreign ministerial meeting in Moscow to discuss Afghanistan.

Jan. 15, 2009: The U.S. freezes the assets of Burmese businessmen Win Aung and Zaw Zaw and their companies for aiding Burma’s military junta.

Jan. 15-17, 2009: Hwang Joon-kook, director general of South Korea’s Foreign Ministry’s North Korean Nuclear Affairs Bureau, leads a five-member fact-finding mission to North Korea to discuss buying unused fuel rods stored at the Yongbyon nuclear facility.

Jan. 20, 2009: Barack Obama is sworn in as the 44th president of the United States.

Jan. 22-23, 2009: Wang Jiarui, chief of the international department of the Chinese Communist Party’s Central Committee visits North Korea and meets Kim Jong-il. This is Kim’s first reported meeting with a foreign guest since August 2008.

Jan. 27, 2009: The Pacific Island Forum leaders hold a summit in Port Moresby and threaten to suspend Fiji from the Forum if Fiji’s coup leader Frank Bainimarama does not establish “credible plans” before May 1 to hold elections in 2009.

Jan. 27-29, 2009: The annual World Economic Forum is held in Davos, Switzerland.

Jan. 30, 2009: North Korea’s Committee for the Peaceful Reunification of Korea announces that it would nullify “all the agreed points concerning the issue of putting an end to the political and military confrontation between the north and the south.”

Feb. 1-2, 2009: Premier Wen Jiabao visits the United Kingdom and stresses the need to deepen ties between the UK and China.

Feb. 1, 2009: Gen. Jing Zhiyuan, the commander of China’s Second Artillery Corps, in a co-authored article in the journal Qiushi, says that China will develop “a nuclear and conventional missile force corresponding to the needs of winning a war” in conditions changed by modern information technology.

Feb. 2, 2009: India and the International Atomic Energy Agency (IAEA) sign an agreement that will give monitors oversight of 14 Indian civilian nuclear reactors by 2014, a prerequisite for implementation of the U.S.-India nuclear agreement.

Feb. 3, 2009: Japan announces that it will provide $300 million in reconstruction aid to Afghanistan.

Feb. 4, 2009: Defense sources in Seoul confirm that a Taepodong-2 long-range missile is now at the North’s main testing ground at Musudan-ri in the northeast.

Feb. 4, 2009: The Kyrgyz government announces that it will be closing the NATO airbase at Manas, a vital supply depot for U.S. and NATO forces in Afghanistan.

Feb. 4-17, 2009: Cobra Gold, an annual military exercise involving troops from the U.S., Thailand, Japan, Singapore, and Indonesia is held in northern Thailand.

Feb 5, 2009: Japan sends fact finding mission to Djibouti and the Middle East to assess facilities to house a Maritime Self-Defense Force (MSDF) antipiracy patrol group.

Feb. 5, 2009: China declares a drought emergency in eight northern and central wheat-producing regions of the country.
Feb. 5-7, 2009: Thai Prime Minister Abhisit Vejjajiva visits Japan and meets Prime Minister Aso.

Feb. 6-8, 2009: Vice President Joseph Biden and Deputy Prime Minister Sergei Ivanov meet at the 45th Munich Security Conference and agree to start discussions on reducing the number of nuclear arms in the U.S. and Russia.

Feb. 10-11, 2009: Japanese Foreign Minister Nakasone Hirofume visit South Korea and meets his counterpart Yu Myung-Hwan and President Lee Myung-Bak.


Feb. 16-22, 2009: U.S. Secretary of State Hillary Clinton visits Japan, Indonesia, South Korea, and China.

Feb. 17, 2009: Russia signs an agreement to deliver 15 million metric tons of oil a year (301,000 barrels a day) to China for the next twenty years and build a branch from a new Siberian pipeline to the Chinese border in exchange for a $25 billion credit.

Feb. 17, 2009: Secretary of State Clinton and her Japanese counterpart Foreign Minister Nakasone sign an agreement on the relocation of U.S. Marines from Okinawa to Guam, honoring the commitment to the 2006 road map on realigning U.S. forces in Japan.

Feb. 18, 2009: Prime Minister Aso and President Dmitry Medvedev meet in Yuzhno-Sakhalinsk to discuss bilateral issues including a longstanding territorial dispute involving four Russian-held islands off Hokkaido in northern Japan.


Feb. 22, 2009: ASEAN plus 3 finance ministers meet in Phuket, Thailand and agree to expand the Chiang Mai Initiative by increasing the scale of emergency funds from US$80 billion to $120 billion to help members solve their currency liquidity shortages.

Feb. 24, 2009: North Korea announces that it plans to put its Kwangmyongsong (Lodestar)-2 satellite into orbit aboard its Eunha (Galaxy)-2 rocket.

Feb. 24, 2009: Democratic Party of Japan President Ozawa states that as Japan assumes a greater role in its defense the need for a U.S. presence will decrease and that the presence of the 7th fleet alone should suffice in maintaining security in the Far East.

Feb. 24, 2009: Prime Minister Aso meets President Obama in Washington, become the first foreign leader at the White House since Obama took office.

Feb. 27, 2009: China responds in detail to the U.S. report on human rights and releases its own report on the U.S., saying crime is a threat and racial discrimination prevails.

Feb. 27-March 1, 2009: The ASEAN summit is held in Hua Hin Thailand. The summit was initially due to take place in December, but had to be postponed after demonstrators took over Bangkok’s two airports.

Feb. 27-28, 2009: U.S. Deputy Assistant Secretary of Defense David Sedney holds the annual Defense Policy Coordination Talks with the People’s Liberation Army in Beijing, marking the resumption of their military dialogue after Beijing suspended it last year to protest U.S. arms sales to Taiwan.

March 1, 2009: North Korea marks Independence Movement Day by renewing threats against South Korea, the U.S. and Japan, threatening “merciless punishment.”

March 2, 2009: At the first UNC general-level meeting in almost seven years at Panmunjom, North Korea demands that the U.S. and ROK cancel their joint annual drills Key Resolve and Foal Eagle, scheduled for March 9-20. The meeting lasts barely half an hour.

March 3, 2009: The New York Times reports that President Obama sent a secret letter in February to President Medvedev offering to halt the construction of a missile defense system if Moscow helps suppress Iran’s missile threat. The White House denies the offer of such a deal.

March 3, 2009: The IAEA approves additional nuclear inspection measures for India. The so-called Additional Protocol will give the IAEA access to information regarding India’s nuclear exports, but does not mention verification of nuclear imports, short-notice inspections, or the IAEA’s right to take chemical samples.

March 3, 2009: South Korea launches a 300-person naval antipiracy contingent on a naval destroyer for duty in the waters off Somalia.

March 3-10, 2009: U.S. Special Envoy for North Korea Stephen Bosworth visits China, South Korea, and Japan to discuss the North Korean nuclear issue.

March 5, 2009: President Lee Myung-bak visits Australia and meets Prime Minister Kevin Rudd to announce agreements to increase security cooperation and launch formal talks on a free trade agreement.

March 5, 2009: North Korea warns that it cannot guarantee the safety of ROK civilian aircraft in or near its airspace if the U.S.-ROK war games go ahead as planned.

March 8, 2008: Chinese vessels harass a U.S. Navy research ship in international waters inside China’s 200 NM Exclusive Economic Zone in the South China Sea.
March 9, 2009: North Korea closes the border and cuts its military telephone link with South Korea in conjunction with the beginning of the U.S.-ROK Combined Forces Command exercise Key Resolve/Foal Eagle, leaving 620 workers stranded in the Kaesong Industrial Complex.

March 9, 2009: The U.S. issues a protest to the Chinese government over the harassment of a U.S. Navy Ship by Chinese vessels on March 8 in the South China Sea.

March 9-20, 2009: The U.S.-ROK Combined Forces Command conducts the annual Key Resolve/Foal Eagle military exercise in South Korea. North Korea says the exercise raises cross-border tension and that Pyongyang is ready for an “all-out confrontation.”

March 10, 2009: North Korea reopens the border with South Korea.

March 10, 2009: The Dalai Lama releases transcripts of a speech in which he accuses China of a “brutal crackdown” of the Tibetan revolt that began on March 10, 1959 and warns that Tibetan culture and identity are “nearing extinction.”

March 10, 2009: China accuses a U.S. Navy ship for violating international law during the confrontation with Chinese vessels on March 8 in the South China Sea.

March 10, 2009: Philippine President Arroyo signs the “baseline law” defining the Philippines’ maritime boundaries as including Kalayaan Group of Islands and the Scarborough Shoal in the Spratly Islands.

March 11, 2009: The Chinese Embassy in Manila describes as “illegal and invalid” the Philippines’ claim of sovereignty over the Nansha Islands and Huangyan Island.

March 11, 2009: North Korea notifies the International Civil Aviation Organization and the International Maritime Organization that it will launch a communications satellite between April 4-8, 2009.

March 11-12, 2009: China’s Foreign Minister Yang Jiechi visits Washington and meets President Obama, Secretary of State Clinton, and Treasury Secretary Timothy Geithner.

March 12, 2009: South Korea announces that the Korea Space Launch Vehicle-1 (KSLV-1) mission, which will mark the first directly launched rocket into space from its soil, has been postponed by a month to late July to give engineers more time for tests.

March 13, 2009: Japan condemns North Korea’s plan to launch a rocket, warning that it is legally entitled to shoot down any threatening object that falls toward its territory.

March 13, 2009: North Korea closes the border with South Korea.

March 13, 2009: Two Japanese destroyers carrying about 400 sailors and coast guard officials left Japan to join the international antipiracy mission off the coast of Somalia.
March 15, 2009: China dispatches a “fishery patrol ship” to the South China Sea to conduct patrols of what it called China’s exclusive maritime zone in the disputed waters surrounding the Paracel and Spratly Islands.

March 16, 2009: Taiwan announces the publication of its first Quadrennial Defense Review, which calls for the creation of an all-volunteer military by 2014.

March 16, 2009: North Korea announces it will reopen the border for South Koreans to return from the Kaesong Industrial Complex but is not yet allowing people or cargo to cross from the South to the North.

March 16, 2009: A ship carrying 1,600 Chinese mainland tourists arrives at Keelung harbor in Taiwan, marking the first direct cruise from the mainland to the island.

March 16, 2009: Vietnam issues a protest to China for allowing a tour company to open a tour to Phu Lam Island in Vietnam’s Hoang Sa (Paracel) archipelago and to the Philippines objecting to its “baseline law.”

March 17, 2009: North Korea informs the U.S. that it does not wish to receive additional U.S. food assistance and orders U.S. nongovernmental agencies involved with distributing the food to leave the country by the end of March.

March 17, 2009: Two U.S. reporters, Euna Lee and Laura Ling, are detained by North Korean security officials near North Korea’s border with China.

March 17, 2009: Japan hosts a meeting for senior defense ministers from Japan and the 10 ASEAN member countries to explore non-military security issues such as natural disasters and the bird flu epidemic.


March 18, 2009: SCO Secretary General Bolat Nurgaliyev says the SCO is open to cooperation with NATO.

March 20, 2009: North Korea closes the border to traffic to and from South Korea.

March 21, 2009: North Korea reopens the military hotline and the border with the South, a day after the end of the annual U.S.-ROK Key Resolve/Foal Eagle military exercise.

Mar. 24, 2009: North Korea’s Foreign Ministry warns that the Six-Party Talks will collapse if the UN imposes sanctions against its rocket launch.

March 24, 2009: The U.S. Congress passes a resolution vowing “unwavering commitment” to Taiwan's security and calling the 1979 Taiwan Relations Act a “cornerstone” of U.S. policy.
**Mar. 25, 2009:** Secretary Clinton warns North Korea that a missile launch will be a “provocative act” that could have consequences.

**March 25, 2009:** The Pentagon releases its annual report on Chinese military power.

**March 26, 2009:** China announces that it has lodged a formal protest with the U.S. in response to the U.S. Congress resolution vowing to defend Taiwan.

**March 27, 2009:** Stephen Bosworth, the U.S. policy director for North Korea and Sung Kim, the U.S. special envoy to the Six-Party Talks meet South Korea’s chief negotiator in Six-Party Talks, Wi Sung-lak, and Japanese Foreign Ministry Director General Akitaka Saiki in Washington to discuss tensions with North Korea as Pyongyang prepares to launch a rocket.

**March 27, 2009:** Defense Minister Yasukazu Hamada issues an order to the Japan Self-Defense Forces to destroy a North Korean rocket or its debris in the event that its launch fails and it falls onto Japanese territory.

**March 27, 2009:** Thai protesters seize and occupy Prime Minister Abhisit’s offices in Bangkok.

**March 27, 2009:** SCO member states hold a conference on Afghanistan in Moscow and issue a joint statement and an action plan to deal with terrorism and drug trafficking in Afghanistan.

**March 29, 2009:** Secretary of Defense Robert Gates says that the U.S. has no plans for military action to pre-empt the launching of a long-range missile by North Korea and would act only if the missile or its parts appeared to be headed toward U.S. territory. ROK President Lee says he also opposes any military response to North Korea’s impending rocket launch.

**March 30, 2009:** North Korea announces that a South Korean worker has been detained at the Kaesong industrial zone after allegedly criticizing North Korea’s political system.

**March 31, 2009:** Meeting in the Hague, foreign ministers of South Korea, the U.S., and Japan reaffirm their consensus that if North Korea goes ahead with a rocket launch, it should be taken up at the U.N. Security Council (UNSC).

**March 31, 2009:** The UN-backed tribunal for former Khmer Rouge official Kaing Guek Eav – also known as Duch – begins in Cambodia.

**March 31, 2009:** North Korea announces that the two U.S. reporters detained in North Korea since March 17 will be tried for illegal entry and “hostile acts” against the DPRK.

**April 1, 2009:** Presidents Obama and Hu meet on the margins of the G20 summit in London.

**Apr. 5, 2009:** North Korea launches a long-range rocket. It claims a successful satellite launch, but the U.S. and South Korea say the launch was unsuccessful and they, with many other states, criticize Pyongyang’s act as provocative and call for an emergency meeting of the UNSC.