Despite recent trends in Asia and elsewhere toward multilateral cooperation, bilateral relations remain at the core of international relations and, as this Journal will document, developments in one set of relationships can dramatically impact other bilateral interactions in addition to affecting the prospects for broader regional stability.

The bilateral relationship that has seen the greatest amount of turmoil over the past quarter, by almost any measure, is the always volatile U.S.-China relationship. The decided downswing in this relationship has also impacted many other bilateral relationships throughout the region. The accidental bombing of the Chinese Embassy in Belgrade in May was, of course, the straw that broke the proverbial camel's back. But, as Bonnie Glaser points out, it was just one of many strains that had been developing and which came to a head during this period.

The big question now is whether both governments will be willing and capable of the politically difficult but essential task of restoring relations to an even keel. China apparently needs some additional gesture (beyond last month's largely futile Pickering visit) in order to get out of the corner it has painted itself into, while political realities in the U.S. will make it extremely difficult for the Clinton Administration to provide "an elevator to help them down."

One unintended consequence of this downturn in Sino-American relations has been a marked increase in the degree and depth of cooperation between Moscow and Beijing, caused by their common concern about American unilateralism. Yet, even this new-found partnership faltered when Russia left China behind in helping to settle NATO's Kosovo campaign. As Keith Bush notes, U.S.-Russian relations have also been set back considerably during this quarter over perceived American slights both during and after Kosovo.

Views of the future vary. In Bin Yu's opinion, as both Russia and China become more disenchanted about U.S. intentions and reliability, necessity drives them closer to one another, to the point that their current strategic partnership may soon evolve into a more formal defense alliance. While I am personally still inclined to view Sino-Russian relations more as a marriage of convenience--and one in which both partners still sleep with one eye open--there is little doubt that the two began to move closer as their bilateral ties with the U.S. became more strained, and that one manifestation of this greater
closeness is Russian willingness now to sell China more state-of-the-art military hardware and technology.

Another major U.S. bilateral relationship in Asia--indeed, the one dubbed by many on both sides as "the world's most important bilateral relationship--bar none"--has fared considerably better in this past quarter. U.S.-Japan relations, as documented by Michael Green, have been on an upswing, with the May Obuchi visit to Washington being a "love-in" in comparison to recent experience. Some key issues remain, of course: always simmering trade difficulties, exacerbated by an ever-growing trade deficit; the pressure for more forward movement on the Okinawa bases issue following President Clinton's recent comment that he hoped the issues would be settled prior to his visit there for the G-8 Summit next year; and unfinished business regarding full implementation of the Defense Guidelines, to name but a few. Nonetheless, security ties have been solidified during the past quarter with the passing of legislation to implement the bulk of the revised Defense Guidelines and Japan now seems committed to support theater missile defense (TMD) research and development.

While the U.S. and Japan try hard not to view their own bilateral relationship and their respective relations with China in zero-sum terms, there is a tendency in Beijing to see things in this way, especially when U.S.-China relations are strained. Therefore, Japan's effort to improve its own historically strained ties with China, as chronicled by James Przystup, has been made more difficult with each improvement of U.S.-Japan security cooperation. Ironically, for its part, Japan--which only a few short months ago was sweating profusely over the "dramatic improvement" in Sino-U.S. relations in the wake of the two Clinton-Jiang summits--is now increasingly worried about the deterioration in Sino-U.S. ties. Japan's desire to restore some degree of relative harmony in the region could likely make them more inclined to tread softly (and generously) with Beijing. Nonetheless, the combination of improved U.S.-Japan defense cooperation and deteriorating U.S.-China relations increases China's paranoia about both the U.S. and Japan and will make it even more difficult for Japan to overcome the historic suspicions that continue to typify Sino-Japanese relations.

To date, the Japan-Russia relationship has been largely unaffected by the downturn in Sino-U.S. and U.S.-Russian relations, beyond Russian complaints about TMD and the Defense Guidelines, which likely would have been forthcoming in any event. As Janet Snyder reports, the Japan-Russia relationship remains on track, even though it has shown little sign of forward movement during this quarter. The brief but important meeting between Russian President Yeltsin and Japanese Prime Minister Obuchi during the G-8 meeting in June kept alive the hope that a peace treaty could be signed by or during the year 2000 that will formally end World War Two hostilities. Improved Russo-Japanese relations, in addition to potentially benefiting both sides, are also important in that they serve to offset some of the negative aspects of the Sino-Russian strategic partnership by effectively denying Beijing a "Russia card" in its dealings with Japan and, for that matter, with the U.S.
America's other long-time security ally in Northeast Asia, the Republic of Korea (ROK or South Korea) is also concerned about deteriorating U.S.-China relations since this can directly influence the ROK's most tenuous bilateral relationship, with its brothers to the north. Sino-U.S. cooperation in the broader setting of the Four-Party Talks involving North and South Korea has a direct impact on the prospects for success (or at least forward progress) in these talks. As Steve Noerper points out, Sino-ROK relations have remained cordial as both sides strove to improve their political and economic interaction under the watchful eye of Pyongyang and Washington.

Seoul has also managed to maintain good relations with Washington during this quarter, despite a host of developments that traditionally would have caused severe strains. As David Brown notes, a great deal of credit for the improvement in U.S.-ROK ties over the past quarter must go to former Secretary of Defense William Perry, who is currently serving as North Korean Policy Coordinator for the Clinton Administration. Perry's meticulous efforts to coordinate his activities and policy recommendations every step of the way with Seoul (and with Tokyo) have increased Seoul's confidence in America's reliability.

North Korea also deserves part of the credit, however. Its decision to permit the U.S. inspection at Kumchang-ni prevented the collapse of the Agreed Framework, which lies at the heart of the U.S.-North Korea bilateral relationship. Meanwhile, its relative restraint in the aftermath of the naval incident off the Korean west coast in late June (in which a North Korean ship was sunk) may have saved the ROK's engagement or "sunshine" policy toward the North...just as the sinking itself may have saved Kim's policy at home by demonstrating that the ROK will continue to stand up to the North even as it opens its hand in friendship.

Dr. Perry's efforts are also praised by Victor Cha as contributing to the steady improvement in relations between Seoul and Tokyo, which continues to win the award as Asia's most improved bilateral relationship. The lion's share of credit, however, must go to ROK President Kim Dae-jung and Japanese Prime Minister Obuchi who, during their October 1998 and March 1999 summits, made the politically courageous decision to put the past behind and build toward a cooperative future relationship. This has manifested itself in the past quarter through the establishment of hotlines between their military headquarters and through high level exchange visits and planning for even greater military-to-military and economic interaction.

While the three-way relationship among the U.S., Japan, and Korea is perhaps better today than it ever has been, Cha, Green, and Brown all warn that disagreements among the three over how to respond to future North Korean provocations and differences in opinion or approach toward their respective future relations with Pyongyang can upset the current equilibrium. So too could severe differences of opinion over how best to integrate China into broader regional affairs. A prolonged chill between Washington and Beijing would put both Seoul and Tokyo in a difficult position since both see their security resting both on a continued defense relationship with the U.S. and on the maintenance of cordial relations with China.
Another potentially volatile bilateral relationship is the one between the Chinese on both sides of the Taiwan Straits. Here, again, the status of U.S.-China relations can have a direct bearing, and vice-versa—nothing can more effectively undermine U.S.-China cooperation than increased tensions (or worse) between Taiwan and mainland China. Fortunately, as Gerrit Gong explains, cross-strait relations have been relatively calm as both sides prepare for the reopening of cross-strait talks, but the shadow caused by increased Sino-U.S. tensions looms large.

The nations of Southeast Asia also continue to be impacted both by the status of U.S.-China relations and by the state of their own individual relationships with each of these two major powers. Southeast Asians frequently remind us (and themselves) that "when the elephants fight, the grass gets trampled"...and that the same thing happens when the elephants make love. During the Cold War, some Southeast Asians were concerned that the U.S. would somehow cede their region to China in return for China's help in countering the Soviet Union. Today, while some still fret over possible U.S. abandonment, the primary issue is how to avoid being forced to take sides as the rhetoric heats up.

At recent multilateral gatherings in Southeast Asia, ASEAN members listened patiently to Chinese complaints about U.S. hegemonism and interference in internal affairs, as they usually do. However, especially in states like Malaysia and Indonesia, there was hesitancy to criticize the West for coming to the aid of severely persecuted fellow Muslims. In addition, there seems to be a debate going on in much of Southeast Asia about the whole concept of non-interference as events in one nation (be it bank failures or forest fires) increasingly seem to impact the livelihood and security of others.

Nonetheless, one could characterize Chinese relations with the various ASEAN states as generally cordial and on track, with the notable exception of Sino-Philippine relations. As Carlyle Thayer observes, frustration over the "renovations" at what appears to be Chinese military facilities on Philippine-claimed Mischief Reef, and the lack of backing for Manila's complaints by the rest of ASEAN, have severely strained relations between Manila and Beijing and demonstrated a degree of disarray within ASEAN over how best to deal with China.

Meanwhile, U.S. bilateral relations with the individual ASEAN states have had their ups and downs during the past quarter. As Sheldon Simon denotes, relations with Thailand have taken another step backward, due to the second instance of U.S. "abandonment," this time by supporting New Zealand's Mike Moore for WTO Director General over Thailand's Supachai—the first was Washington's meager response when the Asian financial crisis struck first in Thailand in 1997.

The most significant improvement in U.S. bilateral relations in Southeast Asia has been with the Philippines, and here both sides have China to thank. During this quarter, the door was finally reopened for joint U.S.-Philippine military exercises with the passage of the Visiting Forces Agreement. The willingness of the Philippine Senate to
pass this previously-contentious measure by a larger than expected margin can be directly attributable to concerns in Manila over China's continuing encroachment on Mischief Reef in the disputed Spratly Islands. Meanwhile, the failure of the other ASEAN states to stand firmly behind Manila in the face of this Chinese violation of the spirit and intent of the ASEAN Declaration on the South China Sea has strained Philippine relations with many of the other ASEAN states and calls into question the broader issue of ASEAN unity.

This brings us full circle back to where we started, to the U.S.-China bilateral relationship and its impact on broader regional security and on relations among the other Asia-Pacific states, not only with China and the U.S., but with one another as well. There are few in Asia who want to see these two elephants either at war or in love; most have a vested interest in seeing Sino-U.S. relations restored to an even keel. The question is, will the leaders in either nation exhibit the diplomatic skill and political courage necessary to accomplish this all important task?....stay tuned!

Regional Chronology
April-June 1999

**April 6, 1999**: Chinese Premier Zhu Rongji begins a 9-day visit to the United States.

**April 16, 1999**: Philippine Foreign Minister Domingo Saizón states ASEAN will not support a new round of WTO trade negotiations in November if there is a U.S. attempt to link trade with labor and environmental conditions.


**May 7, 1999**: NATO bombs the Chinese embassy in Belgrade. Anti-American demonstrations and attacks on the U.S. embassy and consulates in China began the following day.

**May 18-24, 1999**: U.S. team inspects suspect underground site at Kumchang-ni, North Korea.


**May 27, 1999**: Philippine Senate ratifies the Visiting Forces Agreement with the United States by an 18-5 vote.

June 7, 1999: Philippine President Estrada visits South Korea.

June 15, 1999: ROK Navy sinks DPRK vessel; incursions across Northern Limit Line stop.

June 15, 1999: Singapore Prime Minister Goh visits South Korea.

June 25, 1999: Australia and North Korea hold their highest level talks in 25 years in Bangkok.