



Regional Overview:

Aggressive Diplomacy with Mixed Results

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President Obama's fifth trip to Asia – his “reassurance” tour – was well-received by all his hosts but drew mixed reviews from pundits and from Beijing. His accomplishments were partly overshadowed by two tragedies – the disappearance of Malaysian Airlines Flight 370 and the sinking of a South Korean ferry – and by lack of progress on the Trans-Pacific Partnership while abroad or on Trade Promotion Authority at home. Obama also tried his hand at peacemaking by bringing Japan's Prime Minister Abe and South Korean President Park together for their first meeting, on the sidelines of the third Nuclear Security Summit. Secretaries Kerry and Hagel also toured the region to promote the “pivot,” with Hagel stopping in Honolulu to host the first US-ASEAN Defense Ministers Meeting. Pressure on Pyongyang to denuclearize has yielded little, other than threats of another nuclear test and an incredibly vile (even by North Korean standards) personal attack on Presidents Park and Obama. Australian Prime Minister Abbott made a successful swing through Northeast Asia, while participants at the Western Pacific Naval Symposium agreed to a constructive (but non-binding) set of rules to prevent encounters at sea. Finally, we opine about the implications for Asia of events in the Ukraine.

Obama's successful/failed reassurance/containment trip

President Barack Obama's April trip to Asia – his fifth as US president – was deemed a huge success by all, except of course by those who deemed it a complete failure, claiming that Obama gave more than he got (especially in Japan), interfered with a national tragedy (ROK), or was merely on a “contain China” tour (Philippines, Malaysia, and everywhere else). If, however, you assumed, as the White House stated, that the trip was aimed at reassuring friends and allies of the US commitment to regional security, that message was heard loud and clear, including by those who did not necessarily like it.

The trip will be covered in more detail in the bilateral chapters that follow. But a few general comments are in order in this Regional Overview. First, White House assertions to the contrary, almost all press reporting on the trip began with the phrase “In an effort to contain China . . .” as if pursuit of US national interests and reinforcing US alliances were not cause enough for the trip. Our favorite quote to underscore this point, from *The New York Times*: “‘We're not interested in containing China,’ Mr. Obama said, even as he embarked on what some experts said could be portrayed as a ‘containment tour.’” Please, Mr. President, don't confuse us with facts.

This is not to say that there were no messages aimed China's way. The big news from Japan was the president's assertion, prior to his trip and then again at a joint press conference with Prime Minister Abe, that “our treaty commitment to Japan's security is absolute. And Article 5 [of the

security treaty] covers all territories under Japan's administration, including the Senkaku Islands." This was not, as Obama reminded the press, a new policy: "The treaty between the U.S. and Japan preceded my birth, so obviously this isn't the red line that I'm drawing," Obama noted, "This is an interpretation that has stretched multiple administrations." Even so, it was the first time a US president had uttered this phrase, which clearly underscored the message and reassured his Japanese allies, much to Beijing's annoyance: "The so-called security alliance between the US and Japan is a bilateral arrangement made during the cold war period, and it should not be used to damage China's sovereignty and legitimate interest," said a Foreign Ministry spokesperson; "We resolutely oppose applying the Diaoyu Islands to the Japan-US security treaty."

Obama also repeated a formulation first made by then-Secretary of State Hillary Clinton last year; namely, that "we oppose any unilateral attempts to undermine Japan's administration of these islands." This statement skirts the edges of an actual endorsement of Tokyo's claim to sovereignty over the islands, somewhat disappointing those Japanese who had hoped (foolishly) that he would make a more definitive endorsement, but nonetheless prompting Beijing to accuse Washington of "taking sides" in the dispute.

Obama "enthusiastically welcomed Japan's desire to play a greater role in upholding international security," further commending Prime Minister Abe "for his efforts to strengthen Japan's defense forces and to deepen the coordination between our militaries, *including by reviewing existing limits on the exercise of collective self-defense* [emphasis added]." While not endorsing the constitutional change (or reinterpretation) specifically, he left no doubt as to where US sympathies lie (and have lain for decades) on this issue. Again, the point had been made by others. In a January interview with *Asahi Shimbun*, US Ambassador Caroline Kennedy had noted that "Japan will be a more effective alliance partner if its Self-Defense Forces are able to help defend American soldiers or sailors if they are attacked." Having the president say it in Tokyo drove home the point.

While Chinese and South Koreans, for their own somewhat paranoid (and we would argue ill-founded) reasons – and North Koreans for good cause – seem to object to the concept, from a US standpoint, Japanese collective self-defense has long been equated to Japan assisting in America's defense, not Japanese militarism. To cite a familiar example: if North Korea fires a missile at Japan, the Self-Defense Forces have a right and responsibility to try to shoot it down. But if the missile is headed toward the US (Hawaii and US bases in Guam are within current missile range), today's interpretation says Japan cannot intercept this missile; that's what collective self-defense is all about and why Washington has traditionally (but quietly) encouraged Japan to move in this direction.

The messages to North Korea became louder when Obama arrived in Seoul. It's true his timing could not have been worse, as the nation was still reeling in the aftermath of the ferryboat tragedy that took so many precious young lives. Our hearts go out to the families of those missing and deceased and to the brave divers still searching for remains. But while Pyongyang condemned the visit – a North Korean front organization claimed that if "Obama have [sic] even an iota of ethics and morality, he should have postponed or shelved his trip – South Koreans by

and large were grateful for the US president's heartfelt comments and the enduring commitment he expressed toward the ROK's security in the face of renewed North Korean threats.

The big news coming from the Seoul visit – beyond the stern warnings of “grave consequences” if the North proceeded with its threatened fourth nuclear test – was a joint decision to *consider* once again delaying the transfer of operational control (OPCON) of ROK forces in wartime from the US to the ROK. As President Park noted in their joint press conference, “we shared the view that the timing and condition of the OPCON transfer slated for 2015 can be reviewed.” Obama avoided the subject in his prepared remarks but in response to a direct question on the subject affirmed that “we have agreed that we could revisit this issue about reviewing the timing and conditions for transfer.” Note that neither said that OPCON transfer would in fact be delayed – that decision will presumably be discussed at this fall's annual defense consultative talks. Nonetheless, every Korean we have talked to (and we were in Seoul around this time) is convinced that the delay will occur; some speculate 2020 is the next target date.

Following his visit with two Northeast Asia allies, Obama made the first visit by a US president in almost 50 years to Malaysia, where he and Prime Minister Najib Razak (aka Dato' Sri Haji Mohammad Najib bin Tun Haji Abdul Razak) launched a new Comprehensive Partnership, described by Najib as “a new phase in our relationship with greater collaboration on the economy, security, education, science, technology, and more.” Malaysia also became the 103rd country to formally sign up to the principles embodied in the US-led Proliferation Security Initiative (PSI), aimed at countering the spread of weapons of mass destruction. Obama also praised the Malaysian government for “working tirelessly” to find the missing Malaysian Airlines flight MH370, asserting that the Malaysian government had been “fully forthcoming” in providing information and “eager for assistance.” Najib in turn noted that “from the day MH370 went missing, the United States lent its considerable expertise to the investigation and its unique capabilities and assets to the search effort,” expressing his gratitude to Obama “for standing by Malaysia in our hour of need.”

As one Malaysian security analyst noted, in a somewhat backhanded but complimentary way: “Usually considered brash and obtrusive, the United States has played a crucial, yet muted role in the multinational search and recovery efforts for missing flight MH370. Typically dominant in a leadership role, this time round the United States has proved itself a steady and reliable partner by taking a backseat role and concentrating solely on the task at hand.”

President Obama also proved to be a steady and reliable partner to the Philippines during the last leg of his trip, in Manila. While there, he underscored the US commitment to its longest standing Asian ally and especially to President Benigno Aquino's bid to take China to court over their maritime dispute: “Today, we have reaffirmed the importance of resolving territorial disputes in the region peacefully, without intimidation or coercion. And in that spirit, I told [Aquino] that the United States supports his decision to pursue international arbitration concerning territorial disputes in the South China Sea.”

Both presidents also endorsed the new Philippine-US Defense Cooperation Agreement that was signed just hours before Obama arrived in Manila, with Obama proclaiming its goal as, “to build Philippine capacity, to engage in training, to engage in coordination – not simply to deal with

issues of maritime security, but also to enhance our capabilities so that if there's a natural disaster that takes place, we're able to potentially respond more quickly; if there are additional threats that may arise, that we are able to work in a cooperative fashion." Obama was also quick to add this caveat: "I want to be very clear: The United States is not trying to reclaim old bases or build new bases. At the invitation of the Philippines, American service members will rotate through Filipino facilities. We'll train and exercise more together so that we're prepared for a range of challenges, including humanitarian crises and natural disasters like *Yolanda*."

The rotational presence of US forces in the Philippines provided reassurance to Manila, even though there were some who were disappointed that Obama did not make a Senkaku-type statement regarding Philippines disputed territories. In truth, the alliance does not cover unoccupied disputed rocks and reefs. It does, however, cover Philippine forces and facilities and Obama made it clear that the US would stand by its Philippine ally, even while calling for a peaceful resolution of territorial disputes everywhere in Asia.

Beijing's (somewhat) muted response

As noted earlier, Beijing quite predictably reacted negatively to Obama's comments regarding the Senkakus (or Diaoyus, as they prefer to call them). Otherwise, Beijing's official commentary on the trip was somewhat muted, however, perhaps in keeping with the "new type of major country relations" being trumpeted by President Xi Jinping. In truth, Chinese official news reporting focused on Obama's comments about "not trying to contain China" more objectively than did the Western media.

This did not stop Chinese pundits from having their say, however. Representative was this commentary by leading US-watcher Shen Dingli:

President Barack Obama has just returned from his Asian tour – but it may have been better if he had never gone in the first place. As part of his major effort to 'rebalance' to Asia by demonstrating U.S. presence and leadership in the region, Obama intended to implement a three-part agenda: assuring allies of the credibility of U.S. security protection, warning China of the dangers of its expanding maritime claim, and fostering a regional free trade zone so the United States can increase its economic advantage. Now, after his April 22-29 trip to Japan, South Korea, Malaysia, and the Philippines, Obama's allies are uncertain, China is increasingly displeased, and the trade deal remains unsigned. The United States is increasingly unable to balance Asia and the world. Obama may not recognize that, but one of his successors certainly will. The future for all of these countries lies increasingly with Asia – not with the United States.

One suspects that this statement says more about Chinese attitudes than it does about the success or failure of Obama's visit.

Messages received and missed

If one goal of the trip was to reassure US friends and allies, we can safely say "mission accomplished." If another goal was to reinforce the view that the Obama administration's "pivot" or "rebalance" was multidimensional – with political, economic, and socio-cultural as well as security elements – that message was not so clearly received and may have once again been

inadvertently undercut. With the “failure” to get concessions from Prime Minister Abe on the Trans-Pacific Partnership (TPP) (a drama we will cover shortly), almost all the major headlines of the trip – Senkakus reassurances, support for collective self-defense, OPCON transfer delay and stern warnings to Pyongyang, the Defense Cooperation Agreement with the Philippines, and even Malaysia’s signing up to the PSI – reinforced the military/security aspects of the pivot.

There were, of course, other lower profile aspects to the trip, including people-to-people exchanges and efforts to enhance economic cooperation – the Philippines even talked about maybe joining TPP; Malaysia is already a member – but it was the various security-related developments that seized pride of place and were the main takeaways from the visit.

Tarnished TPP?

Some observers (wrongly) anticipated that a deal would be struck (or at least significant progress would be made) on TPP when Obama met Prime Minister Abe in Tokyo, but that was unrealistic: the two sides were too far apart to find common ground in the short time available, even with the drama created by the announcement that the two sides would put off issuing a joint statement and would extend talks by the two top trade officials. Moreover, coming on the heels of the Australian agreement (details below), Abe could dig in his heels and play hard ball. And it never looks bad to stand up for your staunchest supporters – the farmers’ lobby – standing next to their nemesis, as Abe did in the joint press conference with Obama.

The president came to Tokyo with little leverage, given the failure of the US Congress to grant him Trade Promotion Authority (TPA, usually called “fast track”), which mandates that Congress vote either up or down on trade legislation, ensuring that trade agreements are not reopened after negotiation. (No country would be willing to put its final offer on the table if it knew that Congress could then demand yet more concessions.) In Washington, the biggest impediment is Obama’s own party. During his State of the Union address, Obama sang the virtues of TPA: “We need to work together on tools like bipartisan trade promotion authority to protect our workers, protect our environment, and open new markets to new goods stamped ‘Made in the USA.’ China and Europe aren’t standing on the sidelines. Neither should we.” Unfortunately, Senate Majority Leader Harry Reid immediately shot down the idea; neither Reid nor Obama has had the political courage to buck their own staunch supporters (unions, environmentalists), so why on earth should Abe? The assumption (read: last hope) is that a lame-duck Congress will move on granting TPA after the Nov 2014 election. If this is in fact the case, the prospects for TPP will improve in 2015. If it is not, it is hard to imagine a deal being cut since Obama will then be seen as a lame duck himself.

In the aftermath of the trip, there is increasing bitterness among Americans, with Secretary of Agriculture Tom Vilsack suggesting that if Japan isn’t prepared to compromise, then TPP should proceed without Tokyo. (Even before the Tokyo trip, the Republican chair of the House Ways and Means Committee made the same suggestion.) By this reasoning, if the goal is a gold standard, then better to leave Japan out than reach a tarnished deal. That tough talk could just be a scare tactic: Prime Minister Abe made clear his appreciation of the strategic value of the TPP in his remarks at the joint press availability with President Obama. But the frustrations of US trade negotiators are ever more evident.

Some suggest that Washington turn to other Asian trade partners to increase pressure on Tokyo, although the effectiveness of this option is also weakened by lack of TPA. One prospect is South Korea and Seoul has since late last year has shown interest in joining the negotiations. While that seems absurd at this late date, the bigger concern – at least for Washington – are issues related to the implementation of the Korea-US Free Trade Agreement (KORUS), most significantly customs procedures. US officials have insisted that those problems have to be cleared up before Seoul takes up the much thornier question of TPP membership. Expect increasingly acrimonious negotiations with Japan, but a deal is likely this year or next, IF TPA is granted.

Kerry and Hagel continue their pivot as well

While the Obama trip grabbed the headlines, both Secretary of State John Kerry and Secretary of Defense Chuck Hagel also made trips to the region in the first third of the year. For Kerry, it was his fifth trip to Asia since replacing Secretary Clinton. While Clinton was seen as more Asia-focused – her first visit abroad as secretary of state was to Asia – and Kerry has seemingly spent every other week either in the Middle East or Europe (with precious little to show for it), the fact remains that Kerry has been a more frequent visitor to Asia than Clinton was at this point in her tenure. She had only three trips – a fourth was scheduled and cancelled due to the Haiti earthquake – to Kerry’s five. Sometimes perceptions and reality don’t match.

Kerry’s February trip to Seoul, Beijing, and Jakarta will also be covered in the bilateral chapters that follow, as will Hagel’s April trip to China and Japan. The final stop on Hagel’s latest Asia tour – his fourth in less than 12 months – to Ulaanbaatar, resulted in the issuance of a joint vision statement between Hagel and Mongolian Defense Minister Dashdemberel Bat-Erdene, “designed to deepen a decade-long defense relationship built on shared interests and forged in combat as troops of both nations fought together in Iraq and Afghanistan.” Hagel made a point on calling his South Korean counterpart when en route home from Mongolia to brief him on his visit.

The most significant part of Hagel’s trip took place not in Asia but on our home turf here in Honolulu on his way out when he conducted the first ASEAN-US Defense Ministerial Meeting on April 1-3. “ASEAN is an important affirmative investment for the United States,” a defense spokesperson noted just prior to the meeting; “we view ASEAN as a central and strategic player in the region, and this trip, and this particular informal meeting we’re hosting in Hawaii, is an opportunity to express that.” The US-ASEAN Defense Forum had three main segments: a humanitarian-assistance and disaster-response roundtable, a series of site visits to military bases and to a National Oceanic and Atmospheric Administration tsunami-threat and detection facility, and an informal dialogue among the ministers on the final day.

In reflecting upon his trip, Hagel noted that “for all those discussions in this 10-day trip it’s clear to me that to preserve the region’s growth and dynamism and opportunities depends on 14 strong security relationships throughout the region, increasing cooperation in areas of common interest, and resolving disputes peacefully.”

Soothing ruffled feathers

One of the most frustrating developments facing US alliance managers in Northeast Asia is the continuing tensions between Korea and Japan over insults and actions, real and perceived, normally wrapped in a package called “history issues.” President Obama is to be commended for trying to reduce these tensions, not just during his visit with both allies but especially when he arranged a trilateral summit meeting with Prime Minister Abe and President Park along the sidelines of the Nuclear Security Summit in The Hague in March.

The agenda focused on the regional threat posed by North Korea, but the real purpose was to get the Abe and Park in the same room for their first face-to-face meeting since both assumed the mantle of leadership. While it would be a gross overstatement to say that the meeting was successful in burying any hatchets, it at least opened the door for lower-level direct dialogue between the two allies. Koreans remain suspicious of Abe’s intentions and wait for new examples of his “revisionist” tendencies while Japanese are suffering from “Korea fatigue,” the belief that whatever Tokyo says or does will not be enough to placate Seoul so why keep trying. At the end of the day, leaders in both nations (and even their general publics) understand that good relations between Japan and the ROK serve the national security interests of both countries (and those of the US as well). But each remains suspicious and seems to believe the ball is in the other’s court, and this is not a recipe for future success.

The one subject all three agree on is the need for a strong unified stand when dealing with North Korea. As President Obama noted in an official statement following the trilateral, “close coordination between our three countries has succeeded in changing the game with North Korea, and our trilateral cooperation has sent a strong signal to Pyongyang that its provocations and threats will be met with a unified response and that the U.S. commitment to the security of both Japan and the Republic of Korea is unwavering, and that a nuclear North Korea is unacceptable.”

Pyongyang sent a strong signal back, test-firing two road-mobile *Rodong*-class ballistic missiles capable of reaching targets throughout South Korea and Japan, an action specifically banned by several UN Security Council resolutions.

Pyongyang gets uglier

In our last report, we proclaimed the end of Pyongyang’s “smile offensive.” Since then, it has simply been offensive. When it comes to hurling insults at national leaders, few can come close to North Korea’s propaganda department. But the invectives of the last few months have achieved a new low, even by Pyongyang’s standards. During Obama’s visit to Seoul, Pyongyang launched a relentless verbal assault on President Park, calling her a “capricious whore,” a “wicked sycophant and traitor,” a “dirty comfort woman for the US,” and a “despicable prostitute selling off the nation.” Her other great sin, in addition to hosting President Obama, was proposing an “Initiative for Peaceful Unification on the Korean Peninsula” during a speech in Dresden in late March. (See Aidan Foster-Carter’s chapter for details). Pyongyang immediately rejected her proposal, calling it a plan for “unification by absorption.”

The North also became more personally insulting in referring to President Obama as well, calling him a “clown,” a “dirty fellow,” and a “crossbreed with unclear blood” who “still has the figure of a monkey while the human race has evolved through millions of years.” And then it got worse: “It would be perfect for Obama to live with a group of monkeys in the world’s largest African natural zoo and lick the breadcrumbs thrown by spectators.” One wonders what Kim Jong Un’s close buddy Dennis Rodman thinks of these racist diatribes, much less the leaders of the African nations Pyongyang continues to try to woo.

While one is best served by ignoring such nonsense, what we cannot ignore are the North’s renewed threats to conduct another nuclear test. On March 30, Pyongyang threatened to conduct a “new form of nuclear test for bolstering up our nuclear deterrence,” claiming that it had a “more diversified nuclear deterrence” capable of hitting medium- and long-range targets “with a variety of striking power.” While the rest of our reporting period passed without such a test, Pyongyang reminded us on April 29 that “there is no expiration date on our statement of 30 MAR, when we declared that a new type of nuclear test could not be ruled out.”

Beijing has joined Washington, Seoul, and Tokyo in warning Pyongyang not to conduct another nuclear test but history has shown that when all else fails it’s usually a safe bet to trust in the North doing what it says it will do, threatened consequences be damned. And it’s not clear just what the “grave consequences” would be if the North conducted another test. A new round of sanctions would no doubt occur, but it’s not the enactment of sanctions that would deter Pyongyang but their strict enforcement, and the North has yet to be given any real reason to believe that this will take place.

When specifically asked during her press conference with President Obama what the South would do in response to another nuclear test, President Park stated that this would “change fundamentally the security landscape and I believe that all our efforts to resolve the nuclear issue through the Six-Party Talks is going to be completely dissolved.” Perhaps, but the North seems in no rush to resume negotiations anyway (nor does Washington for that matter); in the past Pyongyang has used the tests as leverage to get the others back to the table.

We would respectfully suggest that if Washington, Seoul, Tokyo, and Beijing (and let’s throw in Moscow for good measure) are really serious about wanting to deter another test, that they should hold a round of five-party talks now and develop a credible list of consequences should the test occur . . . and follow through if/once the test happens. As in the past, China’s response is particularly important. As President Park noted, “against this very dangerous situation, I really look forward to China’s leading role in making sure that the threat is not going to be translated into action. That is my hope.” . . . and hope springs eternal!

Prime Minister Abbott’s Northeast Asia trifecta

While President Obama’s Asia tour captured international attention, a similar Northeast Asian sojourn by Australian Prime Minister Tony Abbott garnered fewer column inches, while producing some striking results. In early April, Abbott visited Japan, South Korea, and China, deepening economic relations with all three key trading partners and promoting closer security ties. In Japan, Abbott and Japanese Prime Minister Abe Shinzo “confirmed substantive

agreement” on a long-sought Economic Partnership Agreement, which the Australian government called “the most significant economic accord between the two countries since the 1957 Agreement on Commerce.” The Joint Statement noted Abbott’s support for Japan’s efforts to increase its security role and both leaders vowed to increase trilateral (with the US) security cooperation. Building on the 2007 Joint Declaration on Security Cooperation, they also announced “their intention to elevate the bilateral security and defence relationship to a new level, emphasizing “further expanding combined defence training through improved interoperability between the two countries’ defence organisations.” They launched a bilateral cyber security dialogue and mooted the prospect of similar discussions in other areas, such as space. Abbott was honored with being the first foreign leader to address Japan’s new National Security Council.

In Seoul, Abbott and President Park released a Joint Vision Statement that included, among other things, a pledge to “further develop our patterns of bilateral and joint exercising, and strengthen practical defence cooperation including in the fields of maritime security, humanitarian assistance and disaster relief,” along with the inauguration of a dialogue on cyber security and a pledge to cooperate in space (sound familiar?). They acknowledged the importance of trilateral (Australia-ROK-US) defense cooperation and promised to review and upgrade existing agreements for bilateral defense cooperation. Future “2+2 meetings” (of top defense and foreign policy officials) will “develop a blueprint for further cooperation in security and defence.” On the economic front, they signed the Australia-ROK Free Trade Agreement, which is, reported President Park, “a landmark in the evolution of our ties.” The FTA eliminates tariffs on automobiles, which account for 25 percent of Korean exports to Australia and investments from Korea valued below \$1 billion will be exempt from Australia’s foreign investment review. On entry into force, 84 percent of Australia’s exports (by value) to Korea will enter duty free, an amount that will rise to 99.8 percent on full implementation, and Australian investors will receive treatment on par with the best offered any foreign investor in the ROK. For its part, Australia will remove remaining tariffs on Korean goods on entry into force or over several years. At their joint press conference, Abbott estimated that the FTA would boost both countries’ GDP by over \$20 billion over the next decade.

In China, economic and trade issues dominated – not surprising when the visit included Australia’s largest ever trade mission with more than 700 businesspeople. Progress was made toward conclusion of a FTA, and a fall deadline has been set for finalizing the deal, the final piece of Australia’s Northeast Asian trade trifecta. The two governments also took on security issues: the two countries already hold a strategic dialogue and mil-mil relations are, for at least one observer, “the closest ties that the People’s Liberation Army had with any Western military.”

Abbott’s trip was a success by any yardstick. And while the emphasis on security issues may seem normal to US observers, it is a departure for Australia. Economics have dominated Australian relations with Northeast Asia and the creep of security issues into its relations is for many a positive development and heralds an evolving role that should be highlighted.

If there is one potential problem with the trip, it is the EPA signed with Japan. While the agreement has been (predictably) lauded as a success in Tokyo and Canberra, it elicited (equally

predictable) howls in the United States. The deal cuts Japan's 38.5 percent tariff on Australian beef in half over 18 years in exchange for a phase out of Australia's 5 percent tariffs on Japanese autos three years after the deal goes into effect. Tariffs on butter and wheat will be discussed for a possible review in the future, but rice was excluded from any tariff reduction negotiations. In short, Australia gets the most market access of any of Japan's trade partners, but it isn't free trade. And that incensed US trade negotiators and analysts – not least because it strengthened Japan's hand in bilateral negotiations with the US by providing an acceptable alternative to Washington's zero tariff position.

The mystery of MH 370

Dominating headlines for much of the quadrimester was the disappearance of Malaysian Airlines flight 370 (MH370). As we go to press, the location of the plane and the facts behind its disappearance remain unknown. While the loss of an aircraft with 240 passengers and crew is an enormous tragedy, the fate of MH370 has had an effect that extends far beyond the loss of life. Incredibly, a modern aircraft plying well trafficked routes has vanished without a trace. A huge international rescue effort – at its peak involving 26 countries, and including almost 60 ships and 50 aircraft – has utterly failed to find the plane or shed light on what happened. The disaster and the chaotic response highlighted the need for international cooperation – as well as significant shoring up of air traffic controls in Southeast Asia.

Since many of the passengers were Chinese citizens, the Beijing government has been especially forward leaning during the rescue efforts, demanding explanations and results from the Malaysian government. To some degree, Chinese government pressure reflected the complaints of those families, but some commentators highlighted the gap between China's rising power and its inability to get answers or results. Whatever the cause, there has been growing friction between Kuala Lumpur and Beijing, which even prompted Malaysia to charge that some of the time was lost because of inaccurate information from Chinese air traffic control. As noted earlier, President Obama praised the Malaysian government's efforts when he visited in April, a much appreciated show of support that contrasted with China's pique.

In case you missed it

There were a few other multilateral meetings of note during 2014's first four months, including the third Nuclear Security Summit (NSS), the 14th Western Pacific Naval Symposium (WPNS), and its associated International Fleet Review.

NSS 2014. In an effort to “make the world a safer place,” 58 world leaders attended NSS 2014, agreeing to new measures aimed at reducing the amount of dangerous nuclear material in the world that terrorists could use to make a nuclear weapon (highly enriched uranium and plutonium); improving the security of radioactive material (including low-enriched uranium) that can be used to make a ‘dirty bomb’; and improving the international exchange of information and international cooperation. NSS countries agreed to keep the quantities of nuclear material as low as possible, and to reduce them where possible. Countries that use highly enriched uranium or plutonium as fuel for power generation will limit the quantity involved. The US, which hosted the first NSS in 2010, agreed to host the next session in 2016. The 2012 NSS was held in Seoul.

WPNS. In mid-April, naval leaders and representatives from 25 countries gathered in Qingdao, China for the biennial Western Pacific Naval Symposium, which focuses on building naval security and maritime cooperation among Pacific Rim nations. Founded in 1987, the WPNS currently has 21 member states plus four observers; China, a founding member, hosted for the first time. The highlight of the meeting was the adoption, unanimously, of a Code for Unplanned Encounters at Sea (CUES), a voluntary, non-binding agreement outlining how warships should communicate and maneuver when they come into contact in heavily trafficked sea lanes. The Code was actually proposed more than a decade ago; at the last WPNS, in Kuala Lumpur in 2012, China was the sole country to oppose CUES, citing dissatisfaction with the word “code” (implying legal force).

Chinese naval spokesmen now are hailing the agreement as a “milestone document” which will “effectively control maritime crises and help avoid incidents of interference and collisions in international waters.” However, as Senior Capt. Ren Xiaofeng, the head of the Chinese navy’s Maritime Security/Safety Policy Research Division, reminded the *Wall Street Journal*, “it’s recommended, not legally binding.” As Ren reinforced, implementation required bilateral agreements between the involved navies: “How we arrange things, how we use this thing, that’s something we need to talk about. We’re just talking about the rules. Whether or where or when these rules will apply—it leaves that open, leaves it to bilateral [negotiations].”

International Fleet Review. The WPNS is normally accompanied by an international fleet review involving those members who choose to send ships to the meeting’s locale for a navy parade. This year China decided to not extend an invitation to Japan, given continuing tensions over disputed territories in the East China Sea. The US, as a matter of principle, turned down Beijing’s invitation in response to this snub.

The Crimean effect (not a Ludlum novel)

Finally, casting a long shadow over foreign relations in Asia are events half a world away. The surreptitious annexation of Crimea (and perhaps eventually eastern Ukraine) by Russia has raised questions about the readiness of the Obama administration to stand up to violations of international law and the president’s willingness to use force to defend US national interests. We would counter that both questions are ill informed and misdirected, but as ever the *Economist* captured the zeitgeist with its May 3 cover story, “What would America fight for?”

The Obama Asia tour was a partial response to some of those questions; he was reassuring US allies throughout his trip of the US commitment to the region and their defense. If 80 percent of success is just showing up, the president made progress. But other elements of the Crimean situation have rippled through Asia and warrant mention here.

The first is the degree to which the renewed attention on Europe challenges the US commitment to the rebalance. Some argue that Putin’s land grab is a result of the US “neglect” of Europe and that Washington should refocus on the grand strategic threat to Europe posed by a resurgent (and hungry) Russia. Obama’s tour, the unhesitating rhetoric in defense of regional commitments, and the logic behind the rebalance should quiet that assertion.

Second, there is speculation that Russia will shift its focus to Asia after antagonizing Europe. Journalist Francesco Sisci (“Ukraine crisis forces Eurasian evolution,” *PacNet* #35, May 5, 2014) argued that Putin is now obliged to forge a new relationship with Asia in the wake of sanctions that restrict Russian access to European markets. China will be one of the chief beneficiaries of this process, as Beijing will find its position strengthened in the partnership with Russia that is going to emerge. The contours of that new relationship should be on display during Putin’s visit to Beijing in late May.

Third, China’s readiness to back Russia’s move into the Crimea (and eastern Ukraine) is at odds with Beijing’s position on other cases of self-determination closer to home, in particular Taiwan. It isn’t clear how far Beijing will go here, but it casts doubt on China’s claim to respect international law and its sacred principle of nonintervention, thus making China look cynical and opportunistic. This could also come back to haunt Beijing in another way. As Putin the Great looks to rebuild the historic Russian Empire, his attention will inevitably turn to the so-called “near abroad,” Central Asia, where China poses the greatest challenge to Russian hegemony.

Finally, Russia’s power play makes it more difficult for Japanese Prime Minister Abe to pursue diplomacy that aims at reaching some resolution of the Northern Territories dispute. Abe had hoped to forge some solution to the longstanding problem when he met President Putin in early May. Abe may feel that Putin’s problems with the West make a deal with Japan look more inviting, but, Putin has never displayed an inclination to compromise on territorial issues (and the Crimean play suggested just the opposite). It is hard to see Moscow ceding land after whipping up a nationalist fervor to annex the Crimea.

Regional Chronology **January – April 2014**

Jan. 1, 2014: Myanmar assumes chairmanship of ASEAN for the first time since joining the association in 1997.

Jan. 6-8, 2014: South Korean Foreign Minister Yun Byung-se visits Washington and meets Secretary of Defense Hagel and Secretary of State John Kerry.

Jan. 7, 2014: US [announces](#) the deployment of an additional mechanized infantry battalion equipped with tanks and armored infantry fighting vehicles to Korea.

Jan. 7-8, 2014: US and South Korea hold ninth round of talks on replace of the 1974 treaty on civil nuclear cooperation.

Jan. 12-17, 2014: Malaysian Minister of Defense Hishammuddin Hussein visits the US with stops in Honolulu and Washington where he meets Secretary of Defense Chuck Hagel to discuss international security issues, including Afghanistan, North Korea, and the role of the Association of Southeast Asian Nations (ASEAN) in addressing regional security challenges.

Jan. 13, 2014: Anti-government protesters in Thailand begin a shutdown of Bangkok by blocking intersections, and cutting utilities to government buildings.

Jan. 13, 2014: South Korea and US hold preliminary discussions in Washington on possibility of South Korea participating in Trans-Pacific Partnership (TPP).

Jan. 15, 2014: North Korea's Committee for Peaceful Reunification of the Fatherland [says](#) that USFK joint military exercises *Key Resolve* and *Foal Eagle* drills are tantamount to a declaration of "full-scale nuclear war" and "if carried out, will fatally destroy the inter-Korean relations and trigger unimaginable calamities and disasters."

Jan. 15-18, 2014: South Korean President Park Geun-hye leads a delegation to India and meets Prime Minister Manmohan Singh and other senior leaders.

Jan. 17, 2014: ASEAN foreign ministers meet in Bagan, Myanmar.

Jan. 19, 2014: Inamine Susumu is reelected mayor in Nago on the east coast of Okinawa after vowing to oppose the relocation of US Marine Corps Air Base at Futenma to a base near the city.

Jan. 19-24, 2014: US Deputy Secretary of State William Burns visits South Korea, China, and Japan to discuss bilateral, regional, and global issues.

Jan. 20, 2014: Chinese naval vessels including an island landing ship begin military exercises in the South China Sea that will focus on integrated combat missions involving ships, submarines, and aircraft. The deployment is part of annual exercises and includes combat exercises in the West Pacific Ocean and the East Indian Ocean.

Jan. 20-27, 2014: US Assistant Secretary for East Asian and Pacific Affairs Daniel Russel visits China, Japan, South Korea, and Singapore. He accompanies Deputy Secretary Burns in China and Japan; he leads the US delegation at the US-Singapore Strategic Partnership Dialogue.

Jan. 21, 2014: Thailand's Prime Minister Yingluck Shinawatra declares a 60-day state of emergency in Bangkok and surrounding areas in response mass protests aimed at overthrowing the government, but rules out using force to end the rallies.

Jan. 21, 2014: Chinese media reports that Hainan province and the city of Sansha will set up new civilian patrols in the South China Sea. The intent is to "safeguard national sovereign rights and benefits, develop at-sea assistance, [and] ensure navigational safety."

Jan. 25-27, 2014: Japan's Prime Minister Abe Shinzo visits India and meets Prime Minister Manmohan Singh. He is a guest of honor at India's Republic Day parade and calls for closer commercial and strategic ties with India.

Jan. 26-31, 2014: US Special Representative for North Korea Policy Glyn Davies visits China, South Korea, and Japan to discuss North Korea policy.

Feb 2, 2014: Thailand holds general election. The Democratic Party boycotts the election and voting is canceled in nine provinces due to violent protesters.

Feb. 7, 2014: Japanese Foreign Minister Kishida Fumio meets Secretary of State John Kerry to finalize plans for President Obama's upcoming trip to Japan. He also meets Secretary of Defense Chuck Hagel and National Security Advisor Susan Rice.

Feb. 7, 2014: Opening ceremony for the 2014 Winter Olympics is held in Sochi, Russia. Chinese President Xi Jinping and Japanese Prime Minister Abe Shinzo attend and meet President Vladimir Putin separately while there.

Feb. 11-14, 2014: Taiwan's Mainland Affairs Council (MAC) Minister Wang Yu-chi visits China and meets China's Taiwan Affairs Office (TAO) Director Zhang Zhijun in Nanjing on Feb. 11. The meeting is the highest-level dialogue between officials from China and Taiwan since 1949. Wang also visits the tomb of Sun Yat-sen.

Feb. 13-17, 2014: Secretary of State Kerry visits Asia with stops in Seoul, Beijing, and Jakarta to meet senior government officials to discuss bilateral, regional, and global issues.

Feb. 17, 2014: The UN Commission of Inquiry on Human Rights in North Korea releases a lengthy report that accuses the DPRK government of actions that "constitute crimes against humanity and should be referred to an international court or tribunal for prosecution."

Feb. 17-20, 2014: Former Taiwan Vice President Lien Chan leads an 80-person delegation to China and meets President Xi Jinping. *Xinhua* report identifies Xi as "general secretary of the Communist Party of China Central Committee and Lien as "Kuomintang honorary chairman." Lien tells reporters in Taipei that he was not representing any organization or political party, nor would he convey any message to Xi from Taiwan President Ma Ying-jeou.

Feb. 18, 2014: Thailand's National Anti-Corruption Commission announces that Prime Minister Yingluck Shinawatra will be charged with neglect of duty over a rice farm subsidy scheme and could be removed from office if found guilty.

Feb. 18, 2014: Officials from the Philippines, Malaysia, and Vietnam meet in Manila to coordinate policy regarding Chinese activities in the South China Sea. Fellow claimant Brunei fails to send representatives to the meeting, despite originally agreeing to attend.

Feb. 20-25, 2014: North and South Korea hold reunions of war-separated families at the Mt. Kumgang resort marking the first such reunions in three years.

Feb. 22-25, 2014: Twelve countries involved in the proposed Trans-Pacific Partnership meet in Singapore but fail to reach an agreement over differences regarding tariffs on imported goods.

Feb. 24, 2014: President Obama approves an agreement to allow cooperation between the United States and Vietnam on civilian nuclear projects.

Feb. 24-April 18, 2014: US-ROK conduct annual combined field training exercise *Foal Eagle*, which will mobilize 7,500 personnel. In addition *Key Resolve*, a combined command post exercise, will be held Feb. 24 – March 6.

Feb. 25, 2014: Philippines Department of Foreign Affairs (DFA) summons China's ambassador over allegations that a Chinese surveillance ship fired water cannons at Philippine fishing vessels near Scarborough Shoal (Chinese: Huangyan Island, Philippines: Bajo de Masinloc. China dismisses the protest, saying its sovereignty in the area is "indisputable."

Feb. 27, 2014: China's Standing Committee of the National People's Congress (NPC) ratifies two new national days, one to mark victory of the war against Japanese aggression (Sept. 3) and the other to commemorate victims in the Nanjing Massacre (Dec. 3).

Feb. 27, 2014: North Korea launches four short-range missiles into the East Sea (Sea of Japan).

Feb. 27-28, 2014: Philippine President Benigno Aquino visits Kuala Lumpur and meets Prime Minister Najib Razak.

March 3, 2014: Red Cross officials from North Korea and Japan meet in Shenyang, China to discuss the return of the remains of Japanese nationals from the North.

March 3, 2014: North Korea launches two short-range missiles into the East Sea.

March 8, 2014: Malaysia Airlines Flight 370 loses contact with air traffic control and disappears from radar over the Gulf of Thailand, leading to a multinational search that begins in the South China Sea and eventually extends to the Strait of Malacca, the Andaman Sea, and to southern part of the Indian Ocean.

March 9, 2014: Chinese Coast Guard vessels prevent two ships contracted by the Philippine Navy to deliver supplies and replacement troops to a Philippine outpost on the Second Thomas Shoal (Philippines: Ayungin Shoal, China: Ren'ai Reef), claiming the ships were carrying construction materials in violation of the 2002 Declaration on Conduct in the South China Sea.

March 10, 2014: Philippines airdrop supplies to soldiers stationed on Second Thomas Shoal.

March 11, 2014: Philippines DFA summons Charge d'affaires from Chinese Embassy in Manila to protest blockade of its ships attempting to deliver supplies to soldiers on Second Thomas Shoal, saying that it had "no plans to expand or build permanent structures on the shoal."

March 12, 2014: Japanese Vice Foreign Minister Saiki Akitaka visits South Korea and abruptly curtails the visit after meeting with Korean counterpart Cho Tae-yong. It is the first contact between senior officials from the two countries in eight months.

March 14, 2014: North Korea's National Defense Commission states that it will continue efforts "to bolster up its nuclear deterrence for self-defence."

March 16, 2014: North Korea fires 25 short-range missiles in three separate volleys into the East Sea (Sea of Japan).

March 18, 2014: Officials from China and ASEAN member countries meet in Singapore to discuss a code of conduct governing maritime activity in the South China Sea.

March 21, 2014: Thailand's Constitutional Court nullifies the Feb. 2 general election and orders that new elections must be undertaken.

March 22-23, 2014: North Korea fires 46 short-range missiles into the East Sea.

March 25, 2014: President Barack Obama, Japanese Prime Minister Abe Shinzo, and South Korean President Park Guen-hye meet on sidelines of the Nuclear Security Summit in The Hague, Netherlands.

March 25, 2014: North Korea fires two medium-range missiles using mobile launchers into the East Sea.

March 27, 2014: The Philippines and the Moro Islamic Liberation Front sign a peace treaty entitled [Comprehensive Agreement on the Bangsamoro](#).

March 28, 2014: Dozens of foreign aid workers leave Sittwe, the capital city of Rakhine state in Myanmar, after their offices were attacked during riots.

March 28, 2014: The Philippines signs agreements valued at \$528 million to purchase military aircraft from South Korea and Canada.

March 28-April 3, 2014: Ships from 17 nations including all 10 ASEAN members, China, India, Japan, New Zealand, Russia, South Korea, and the US participate in the biannual humanitarian assistance and disaster relief *Exercise Komodo* in Indonesian waters around the Natuna Islands.

March 30, 2014: Philippine government files a 4,000-page memorandum on its claims on the East China Sea with the Permanent Court of Arbitration in The Hague.

March 30-31, 2014: Japan and North Korea hold first formal talks in over a year in Beijing.

March 31, 2014: North and South Korea exchange artillery volleys into contested waters on the western side of the Korean Peninsula.

April 1, 2014: Japan announces a relaxation of restrictions on weapons exports.

April 1-3, 2014: Secretary of Defense Hagel meets ASEAN defense ministers in Hawaii.

April 2-5, 2014: Two Japanese Maritime Self-Defense Force destroyers visit the Philippines and undertake maneuvering training with the Philippine Navy.

April 4-10, 2014: Secretary Hagel visits Asia with stops in Japan, China, and Mongolia.

April 7, 2014: US Special Representative for North Korea Policy Glyn Davies hosts a trilateral meeting with ROK Special Representative for Korean Peninsula Peace and Security Affairs Hwang Joon-kook and Japanese Ministry of Foreign Affairs Director General for Asian and Oceanian Affairs Junichi Ihara to exchange views on a wide range of issues related to the DPRK.

April 7-10, 2014: Assistant Secretary for East Asian and Pacific Affairs Daniel Russel visits Thailand and Burma.

April 7-14, 2014: Australian Prime Minister Tony Abbott visits Northeast Asia with stops in Japan, South Korea, and China.

April 14-17, 2014: Chinese Special Representative for Korean Peninsula Affairs Wu Dawei visits the US and meets Special Representative for North Korea Policy Davies in New York and Washington to exchange views on issues related to the DPRK.

April 17, 2014: UN Security Council meets to discuss human rights violations in North Korea outlined in the UN Commission of Inquiry on Human Rights in North Korea. Russia and China do not attend the meeting.

April 17-18, 2014: US, South Korea, and Japan hold Trilateral Defense Dialogue in Washington.

April 21-22, 2014: The 14th annual meeting of the Western Pacific Naval Symposium is held in Qingdao, China. Member states endorse the Code for Unalerted Encounters at Sea (CUES), a navy-to-navy system designed to reduce misunderstandings and avoid maritime accidents.

April 23-29, 2014: President Obama visits Asia with stops in Tokyo, Seoul, Kuala Lumpur, and Manila.

April 28, 2014: The Philippines and the US sign a 10-year Enhanced Defense Cooperation Agreement (EDCA) that allows US military forces to access military bases in the country.