



Regional Overview:  
**Mixed Signals, Mixed Results**

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The North Koreans stayed away from the Six-Party Talks again this quarter, citing “mixed” and “confusing” signals from Washington as their main reason for not resuming the dialogue. Meanwhile, Washington was sending mixed signals to Asia in general and to China in particular. Deputy Secretary of State Robert Zoellick had a successful trip through Southeast Asia, reassuring the ASEAN states about Washington’s continued commitment to the region, a message somewhat undercut at quarter’s end when it was revealed that his boss, Secretary of State Condoleezza Rice, would likely not make her scheduled first appearance at the ASEAN Regional Forum (ARF) ministerial meeting in Vientiane in late July. Secretary of Defense Donald Rumsfeld also sent mixed signals to China during his second appearance at the Shangri-La Dialogue in Singapore in early June, welcoming an emerging China “committed to peaceful solutions” as “an important new reality” while raising questions about the extent of its military build-up, since “no one threatens China.” There were also mixed signals from within ASEAN as to whether or not Burma/Myanmar would forego its chairmanship of ASEAN in mid-2006, amid mixed predictions as to the impact of Rice’s absence on this decision. Preparations also continued for this December’s first East Asian Summit (EAS) with more attention focused on who will attend than on what is to be accomplished.

**North Korea: still ‘confused’?**

At quarter’s end, all sides seemed hopeful that Pyongyang would soon return to the Six-Party Talks. But, then again, all sides were hopeful that this would take place this past quarter as well, only to once again be disappointed. On the plus side of the ledger, U.S. President George W. Bush and ROK President Roh Moo-hyun did have a successful summit meeting in Washington in early June, with the ROK president strongly echoing Washington’s long-standing call for Pyongyang to make a “strategic decision” to give up its nuclear weapons and rejoin the talks without preconditions and the U.S. president agreeing to tone down his rhetoric – he has since refrained from using the “T” word (“tyrant”). President Bush even referred to the North’s Dear Leader twice as Mr. Kim Jong-il, a modest symbol of respect (but probably the most one could hope for).

ROK Minister of Unification Chung Dong-young also reportedly advised Chairman Kim to make the “strategic decision” to give up his nuclear weapons during their long sought-after (by Chung) first face-to-face meeting during fifth anniversary celebrations of former ROK President Kim Dae-jung’s historic summit meeting with Kim Jong-il in Pyongyang in mid-June. Minister Chung has predicted that the talks will resume shortly . . . but, then again, various Seoul officials have made the same prediction almost weekly for the past 12 months.

Pyongyang continues to declare that it is ready to resume dialogue, once conditions are mature, but has yet to define just exactly what this means. Its demand that it be treated as an “equal” seems to be acceptable to Washington, if by equal it means as a sovereign state – Secretary Rice has gone out of her way to refer to Pyongyang’s sovereign status in recent months to underscore this point. Washington is not prepared, however, to treat Pyongyang as a nuclear weapons state or to enter into “disarmament talks” as demanded by Pyongyang, so treatment “as an equal” could still be problematic, depending on how Pyongyang chooses to define the term.

Even more troublesome are repeated calls for an apology from Secretary Rice for having the audacity to refer to North Korea as an “outpost of tyranny.” While many (myself included) have urged Washington to refrain from name-calling (as much to convince our partners that we are serious about negotiating as to avoid irritating the North), Dr. Rice has made it clear that she will not apologize for “telling the truth.” Pyongyang’s repeated demand that Japan be dropped from the mix also remains unacceptable to Washington. Unfortunately, it resonates somewhat more favorably in Seoul and Beijing, given their continued travails with Tokyo during the quarter. This represents another example of Pyongyang’s “divide and conquer” tactics aimed at creating or deepening schisms among its other five interlocutors.

By quarter’s end, Beijing seemed to be running out of patience as Pyongyang continued playing hard to get. As one Chinese official noted at a recent off-the-record track-two session on the North Korea nuclear crisis, the time has come for Pyongyang to more clearly and realistically explain just what it really wants; it needs to explain what would make conditions right for its return to the negotiating table. U.S. and Japanese interlocutors appear less patient, stressing that the time to return to talks, without preconditions, is long past due. While Washington remains committed to a diplomatic solution, it has made it clear that going to the United Nations Security Council (UNSC) remains one of the tools that remains in its diplomatic toolbox; how much longer Seoul and, more importantly, Beijing and Moscow (who can veto such an effort) oppose such a move remains to be seen.

In this author’s opinion, Pyongyang should not be too confused by the signals it is receiving from Washington. The signals have been clear and consistent. One message is “we don’t like you; we don’t like your system, your style of government, or the way you treat your people.” This is not likely to change, even if the name-calling stops. The other message is, “despite this fact, we are prepared to negotiate a settlement to the crisis and tolerate the existence of the current North Korean regime.” If North Korea is looking for

a negotiated settlement which will swap its nuclear weapons programs for economic benefits and security assurances, the road ahead looks promising, provided Pyongyang makes the strategic decision to go in this direction. If it first wants Washington to like (or worse yet show admiration or respect for) its regime, leader, or way of government, it's going to be a long, hot summer.

### **Sweeter carrots, stronger sticks needed**

It seems clear to this author that if the other five dialogue partners (Washington, Seoul, Tokyo, Beijing, and Moscow) are serious about getting Pyongyang back to the negotiating table, they will need to more effectively speak with one voice in dealing with the North. All have sent one consistent message this past quarter, which appears to have been heard: "do not conduct a nuclear test." Without necessarily spelling out the consequences, all have made it clear that they will not tolerate a nuclear test and that there would be consequences (most likely including UNSC action). Rumors, predictions, and leaked intelligence reports of imminent tests notwithstanding, thus far Pyongyang seems to have taken the message on board (presuming of course that it is indeed capable of conducting a test and that it is political, not technical, considerations that are causing the restraint).

To date, however, there have been few if any consequences associated with Pyongyang's decision, last quarter, to declare itself a nuclear weapons state or as a result of its continued refusal to come back to the talks. I would argue that both sweeter carrots and stronger sticks are needed to convince North Korea to return to the negotiating table and, more importantly, to give up its nuclear weapons once it returns to the talks. (Getting Pyongyang back to the table is an important, but by itself insufficient, first step in the denuclearization process; it is not an end in itself.) To get Pyongyang to seriously negotiate, it must be convinced that the benefits of cooperating outweigh the benefits of not cooperating and that the costs of not cooperating outweigh the costs of cooperating.

Washington and the others all seem to agree that rewards are in order if Pyongyang cooperates. All have signaled their willingness to provide significant economic benefits if and when North Korea starts down the path toward nuclear disarmament. Less recognized is the benefit Pyongyang sees in not cooperating. North Korea's stonewalling continues to create tension between Washington and Seoul, with South Korea continually calling for increased U.S. "flexibility," while generally resisting direct criticism of North Korea's actions. A side benefit (from Pyongyang's perspective) has been increased bickering between Washington and Beijing. As long as its refusal to negotiate continues to drive a wedge between Washington and Seoul/Beijing, it is in the North's benefit not to cooperate.

The perceived cost of cooperating also needs to be lowered. Giving up its nuclear card deprives Pyongyang of its primary (perhaps only) bargaining chip – it will not do so without credible security assurances, including a U.S. commitment not to pursue regime change, since regime (read: personal) survival remains North Korean leader Kim Jong-il's number one priority.

The area of greatest disagreement between Washington and the others (especially Seoul and Beijing) is over the costs (or lack thereof) of not cooperating. The prospect of even more benefits has not been sufficient to draw North Korea back to the table, especially since many of the benefits that it enjoyed prior to walking away have been sustained (if not increased) despite a year of stonewalling and unilateral escalation. To date, there have been little if any costs associated with North Korea's decision to boycott negotiations or its even more egregious nuclear weapons declaration.

Sweeter carrots, by themselves, are not likely to persuade Pyongyang to return to the negotiating table, not when the benefits of not cooperating remain high and the costs of not cooperating remain so low. If the other five parties can agree both on sweeter carrots and stronger sticks, Pyongyang may finally conclude that it has more to gain from cooperating than from not cooperating . . . and something to lose if it continues to defy international norms of behavior. Unless this occurs there is likely to be little progress, even if the Six-Party Talks themselves do resume next quarter. [For a more in-depth discussion on this issue, please see [PacNet No. 23, "North Korea: Cost Benefit Analysis,"](#) June 6, 2005] [Editor's note: On July 9, Washington and Pyongyang announced that the talks would resume on/around July 25.]

#### **NPT review conference: no DPRK censure**

Washington was also unsuccessful in its attempt to get a strong statement against North Korea's (and Iran's) nuclear aspirations during the May 2-27 Nuclear Non-Proliferation Treaty (NPT) 2005 Review Conference in New York. Participants failed to reach agreement on anything of substance; no final statement was issued. Many blamed a failure of U.S. leadership – Secretary Rice elected not to participate at all – and the double standards pursued by the U.S. (and the other nuclear weapons states), pushing for others to reject nuclear weapons without taking significant steps, in accordance with Article VI obligations, to eliminate existing nuclear arsenals. North Korea remains the only country to withdraw from the NPT, without penalty, after taking advantage of the NPT “loophole” to gain nuclear (including reprocessing) technology; another “no cost” venture by Pyongyang.

#### **Zoellick's visit: reassuring ASEAN**

In early May, Deputy Secretary of State Robert Zoellick traveled to Thailand, Vietnam, the Philippines, Indonesia, Malaysia, and Singapore to “lay the foundation for stronger ties with ASEAN in President Bush's second term.” In an effort positively described by the *Singapore Straits Times* as “a display of aggressive diplomacy,” Zoellick candidly, and by most accounts very effectively, laid out U.S. commitments and concerns, bringing with him new aid packages for tsunami relief and infrastructure development while underscoring “the need to continue to have intense efforts against terrorism” in the region. Not surprisingly, given his economic orientation and his former role as head of the U.S. trade representative office, he placed special emphasis on economic development and cooperation and the promotion of free trade. “I think if there is any core theme,” Zoellick explained in describing the purpose of his trip, “it's that we believe that

it is in the broader Asian interest to have a strong, healthy, dynamic ASEAN.” The visit was covered widely throughout the region (if barely noticed by the Western press).

Zoellick demonstrated a degree of diplomatic finesse in dealing with the contentious issue of Burma/Myanmar’s scheduled assumption of the ASEAN (and, by extension, ARF) chair in mid-2006. (Laos, as current chair, will host the July 2005 ARF meeting in Vientiane before handing the chairmanship to Malaysia, which would host the summer 2006 meeting before yielding the chair to Burma/Myanmar, alphabetically next in line.) While emphasizing Washington’s desire to work closely with ASEAN, he noted that “If Burma is the chair next year, it will obviously tie our hands.” But, Zoellick noted, this was an issue “for the ASEAN countries to obviously decide,” demonstrating his understanding that much was being done behind the scenes and that overt U.S. pressure was likely to prove counterproductive.

While Zoellick’s trip to Indonesia and the Philippines followed closely in the footsteps of visits there by Chinese President Hu Jintao, he denied that he was there to counter Chinese diplomacy, explaining that it was only natural for Washington to have its own “activist engagement with Southeast Asia.” When asked directly if the U.S. wanted to check China’s growing economic and political influence, Zoellick responded that “it is entirely natural that China has grown and become more open in trade and finance. It will play a larger role in the region. It is wrong to suggest that this could be limited.” But he noted the “different dimensions” between the U.S. and China, pointing out, for instance, that “the U.S. demonstrated during the Dec. 26 tsunami that no country has the same global reach in our humanitarian and reconstruction contribution.” The U.S. remains the big kid on the block, Zoellick seemed to be implying, regardless of how big a shadow China may sometimes cast. As one senior Asian commentator noted, “in assessing Mr. Zoellick’s carefully-planned trip, the conclusion is that it definitely succeeded in raising the U.S. profile in the region.”

### **Condi an ARF no-show?**

During his trip, Deputy Secretary Zoellick reportedly gave assurances that his boss, Secretary of State Condoleezza Rice, would emulate her predecessor’s perfect attendance record at the region’s premier security gathering, the annual ministerial-level ASEAN Regional Forum meeting involving the 10 ASEAN States (Brunei, Cambodia, Indonesia, Laos, Malaysia, Burma/Myanmar, the Philippines, Singapore, Thailand, and Vietnam) and their dialogue partners (Australia, Canada, China, the European Union, India, Japan, South Korea, North Korea, New Zealand, Mongolia, Pakistan, Papua New Guinea, Russia, and the U.S.). Apparently, he spoke too soon. On June 29, Dr. Rice reportedly informed ASEAN representatives in Washington that she would not be attending the late July meeting but would be represented instead by Mr. Zoellick.

The initial reaction was predictable. “Condoleezza Rice: Too busy to care about Southeast Asia?” read one news service headline. “The country’s top diplomat, Secretary of State Condoleezza Rice, apparently doesn’t consider the region important enough to warrant her personal attention,” cited one news report, opining that “for her to stay away

in her first year as the top U.S. diplomat could even damage U.S.-ASEAN relations at a time when there are concerns about China's growing influence in the region." Another regional paper described the decision as "an unnecessary snub from America's top diplomat during her first year in office."

A senior policy analyst at the Heritage Foundation in Washington, a staunch Bush administration supporter, said, "ASEAN likes Zoellick, but if he can't get Rice to attend the ARF, it will demonstrate that she doesn't care much about Southeast Asia." Making matters worse, from a Southeast Asian perspective, were reports (since confirmed) that Dr. Rice would be visiting Northeast Asia earlier in the month (with a side trip to Thailand being her only Southeast Asia stop). ASEAN Secretary-General Ong Keng Yong tried to put a positive spin on the news, stating that "Bob Zoellick knows the region well and he will do an excellent job." He acknowledged, however, that "the Lao hosts are still trying to persuade her to attend," further opining that her failure to appear "will be seen as unfortunate." Unfortunately, the prospects of a decision reversal seem slim.

### **Rumsfeld's message: China is not a threat, but . . .**

While Secretary Rice has yet to make her first trip to Southeast Asia, her Pentagon counterpart, Defense Secretary Donald Rumsfeld made his second visit to the annual Shangri-La Dialogue in Singapore this quarter. A quick read of the headlines would lead one to the conclusion that his remarks focused on the China threat. A review of his actual text would reveal a much more nuanced message, however. (Ironically, one senior diplomat in the audience asked Rumsfeld how he would respond to the predictable headline that his message was that China, not terrorism was the region's primary threat. He responded that "such a headline would be flat wrong." This did little to deter the headline writers, however.)

Rumsfeld noted that "China's emergence is an important new reality in this area. Indeed, the world would welcome a China committed to peaceful solutions and whose industrious and well-educated people contribute to international peace and mutual prosperity." He said that the U.S., and many others, "seek to cooperate with China in many fields – diplomacy, economics, global security." He even threw in a good word for multilateralism, noting that "multilateral engagement is vital" and that "China can be an important part of that cooperation." But he also noted that "a candid discussion of China, however, cannot neglect to mention some areas of concern." Among these areas of concern were China's continued military modernization program, its expanding missile capabilities, and its improved power projection capabilities, all made possible by "the third largest military budget in the world, and clearly the largest in Asia."

"Since no nation threatens China," Rumsfeld noted, "one must wonder: Why this growing investment? Why these continuing large and expanding arms purchases? Why these continuing robust deployments?" When asked point blank by a Chinese participant if he considered China to be a threat to the U.S., however, Rumsfeld said "no." He then repeated a phrase from his speech that reinforced one of the central messages of the Bush administration's second term: "Ultimately, China likely will need to embrace some form

of more open and representative government if it is to fully achieve the political and economic benefits to which its people aspire.”

In addition to promoting democracy, Rumsfeld also advocated open markets and free trade, spending almost as much time on the threat posed by “the specter of trade barriers” as he did on the North Korean threat. He did spend some time contrasting the “dynamism of free people and free markets” in the Republic of Korea with the “living hell” in the North, while urging Pyongyang to “embrace the openness and freedom that have helped so many of its neighbors thrive.” Not surprisingly, he cited the U.S.-led Proliferation Security Initiative (PSI) and Maritime Security Initiative as among the important activities in which the U.S. and its regional partners were engaged.

All in all, Secretary Rumsfeld acquitted himself well during a spirited question and answer session, although his answers to several tough questions – (paraphrased) “If China’s rate of military development is not right, what is the right rate?” “If China’s military budget is too large, what does that say about the (10 times larger) U.S. military budget?” “How does one respond to the charge that the U.S. appears hypocritical when it tells others not to pursue nuclear weapons while it conducts research on a new generation of ‘usable’ nuclear weapons?” – were less than fully satisfactory.

### **China-Taiwan: the drama continues**

Rumsfeld’s presence, along with that of at least 14 ministers/deputy ministers of defense helped to make the fourth Shangri-La Dialogue a resounding success. The annual event, arranged by the International Institute for Strategic Studies (IISS) in London, brings together, in an unofficial setting, senior-most defense officials who meet in plenary session with leading scholars and security specialists and privately with one another. Twenty-one countries sent official delegations to the 2005 Shangri-La Dialogue. China boycotted the 2004 dialogue due to the presence of one Taiwan academic. (Scholars from Taiwan, as elsewhere, participate in conference sessions in their private capacity, but are excluded from the separate “officials only” side meetings and working lunches.) This year, Beijing did send a five-person official delegation (along with two scholars), headed by Cui Tiankai, the very articulate but relatively junior director general of the Asia Department of the Ministry of Foreign Affairs, even though there were four Taiwan scholars present at the plenary sessions (listed as “other IISS members/guests” on the program).

Some hoped that this was a signal of some loosening of China’s diplomatic isolation campaign against Taiwan in the wake of the high-profile visits by two prominent Taiwan opposition leaders to Beijing, Koumintang (KMT) leader and former Vice President Lien Chan and People’s First Party (PFP) chief James Soong, this quarter. Opinions about the meeting varied deeply within the ruling Democratic Progressive Party (DPP), but Taiwan President Chen Shui-bian cautiously endorsed the visits, reportedly asking Soong to carry a personal note to Chinese President Hu Jintao. Washington initially applauded this cross-Strait initiative, but with the caveat that it should lead to dialogue with the elected government in Taiwan as well. As it became clear that Beijing seemed more interested in

manipulating Taiwan domestic politics than in demonstrating the “flexibility” hinted at in last quarter’s Anti-Secession Law, Chen responded predictably, publicly inviting Hu to visit Taiwan “to see for himself whether Taiwan is a sovereign, independent country.” Beijing rejected the invitation and said it would have no exchanges with the DPP “because its party constitution advocates the separation of Taiwan from the motherland.”

Providing another signal that it was “business as usual” as far as cross-Strait flexibility was concerned, Beijing once again successfully pressured the World Health Organization to deny Taiwan long-sought-after observer status. China also continued to boycott the ASEAN-ISIS Asia-Pacific Roundtable in Kuala Lumpur, presumably because ISIS refused to respond to what was considered an extremely condescending and arrogant note laying out the “rules” under which Beijing might be prepared to “allow” Taiwan participation in the region’s longest standing track-two security conclave.

### **U.S. military transformation continues; details remain sketchy**

During Secretary Rumsfeld’s Shangri-La address, he also acknowledged that U.S. military transformation was still underway in the region and globally, “to confront the distinct threats of a new and dangerous era.” He asserted that the benefits of transformation were made clear during the tsunami relief efforts: “the U.S. Navy’s emphasis on improving its surge capabilities, landing troops amphibiously, and supporting them indefinitely from the sea proved critical to sustaining the relief effort across the region and in saving lives.”

While transformation efforts on the Korean Peninsula have been spelled out previously – and involve the reduction of 12,500 ground troops between now and 2008 (with 3,500 already departed) and the consolidation of other forces in strategic hubs south of Seoul – details of moves elsewhere in the Asia-Pacific region have been less clear. Rumsfeld provided few new details, pointing only to “a repositioning of U.S. forces worldwide that will significantly increase our capabilities in support of our friends and allies in this region.” However, a long-time defense correspondent, Richard Halloran (formerly at the *Washington Post* and *New York Times*, and currently a freelance journalist and Pacific Forum adjunct fellow), citing U.S. defense officials in Washington, at the Pacific Command in Hawaii, and in Asia, reported this quarter that DoD has fashioned a plan “intended to strengthen the operational control of the Pacific Command, enhance forces in the U.S. territory of Guam, tighten the alliance with Japan, and streamline the U.S. stance in South Korea.”

While noting that “no firm decisions have been made,” Halloran described the planned realignment as follows:

ARMY: The U.S. Army headquarters in Hawaii will become a war-fighting command to devise and execute operations rather than one that merely trains and provides troops to other commands. The U.S. four-star general’s post in Korea will be transferred to Hawaii. The 1st Corps at Fort Lewis, Washington, will move to Camp Zama, Japan, to forge ties with Japan’s ground force. In South Korea, the U.S. plans to disband the 8th Army, to relinquish command of Korean

troops, and to minimize or eliminate the United Nations Command set up during the Korean War. A smaller tactical command will oversee U.S. forces that remain in Korea, which will be down to 25,000 (from 37,500) in 2008. (Halloran opined that this currently agreed upon number may be cut even further since Seoul “has denied the U.S. the ‘strategic flexibility’ to dispatch U.S. forces from Korea to contingencies elsewhere.”)

**MARINE CORPS:** The Marines will move the headquarters of the 3rd Marine Expeditionary Force (III MEF) to Guam from Okinawa to reduce the friction caused by the U.S. “footprint” on that Japanese island. How many Marines would move was not clear, but combat battalions will continue to rotate to Okinawa. Halloran noted that some U.S. officers were displeased with this move “because local politics rather than military necessity dictated the move,” although others saw some advantage, in terms of operational flexibility, to having III MEF in Guam.

**AIR FORCE:** In May, the 13th Air Force moved to Hawaii from Guam as part of the effort to transform the Pacific Air Forces into “an air operations center and war-fighting headquarters that serves the entire Pacific region.” The Air Force reportedly also plans to establish a strike force on Guam that will include 6 bombers and 48 fighters rotating there from U.S. bases. In addition, 12 refueling aircraft essential to long-range power projection will be stationed in Guam, along with three Global Hawk unmanned reconnaissance aircraft. In Japan, the USAF appears willing to share Yokota Air Force Base, west of Tokyo, with Japan’s Air Self-Defense Force but has resisted opening the base to civilian aircraft, despite demands from Tokyo Gov. Ishihara Shintaro for such rights.

**NAVY:** Three Pacific fleet attack submarines have already moved from Pearl Harbor to Guam to put them closer to the Western Pacific. Plans apparently remain afoot to transfer an additional aircraft carrier from the Atlantic to the Pacific, although its home base has not been decided – Hawaii and Guam are reportedly both in the running. It is still not clear if the *Kitty Hawk*, the conventionally powered aircraft carrier currently based at Yokosuka, Japan, will be replaced by a nuclear-powered carrier when it is retired in 2008 – some Japanese politicians would prefer the last of the conventionally powered carriers, the *John F. Kennedy*.

Halloran cautioned that these long-term (three-to-five years) moves are not yet etched in stone and could change; some are subject to continued negotiation and agreement with host nations. Defense officials have not publicly confirmed this reporting. However, they have also refused to refute or discount it, with one senior official telling me it was “pretty darn close” to what is currently being contemplated.

## **ARF preparations continue, as does debate over China's rise, the EAS, and Burma/Myanmar**

The ARF Senior Officials Meeting (SOM) was held in Vientiane in late May to prepare the groundwork for the July 29 ministerial. Assistant Secretary of State for East Asian and Pacific Affairs Christopher Hill led the U.S. delegation. This was his first official trip to Southeast Asia as assistant secretary – as noted last quarter, the former U.S. Ambassador to South Korea made a “listening and learning” trip to the region in late March after being confirmed in his position but before being sworn in. While the affable Hill was well-received and reportedly made a good impression on his Southeast Asian colleagues, many have expressed concern privately about his Northeast Asia and European orientation – he was previously ambassador to Poland and is currently dual-hatted as senior U.S. representative to the Six-Party Talks and thus chief negotiator with North Korea.

**China's Rise.** These concerns were reinforced, no doubt unintentionally, when Hill rushed off after the Vientiane meeting to Brussels for an “EU-U.S. Strategic Dialogue on East Asia” which focused, not surprisingly, on the nuclear stand-off on the Korean Peninsula and the implications for the U.S. and Europe of the rise of China and its relations with Taiwan. While the arms sales issue was downplayed in public, it was undoubtedly discussed behind closed doors and Washington was clearly delighted when the EU subsequently decided to postpone its decision to lift its arms sales embargo against Beijing.

While noting that the rise of China and its economic integration “dominate the landscape” in East Asia, Hill was careful not to sound a “contain China” theme, stressing that “we welcome China's rise, we welcome China's success.” But he reminded his European colleagues that “what China is to become in the next generation will to some extent depend on how we interact with China, how we deal with not only the opportunities posed but also some of the challenges as well.”

**Whither EAS?** In response to a question in Brussels about U.S. attitudes toward multilateralism and regional integration in East Asia (which implied the U.S. was not supportive since this “might reduce its bilateral leverage with some of the countries involved”), Hill asserted that “we are very, very much supporting multilateral structures in Asia.” He said the U.S. and its ARF partners were “doing a lot . . . to create a better sense of community in East Asia.” In what could be seen as a note of caution about the impending East Asia Summit (EAS), however, he cautioned that “we have been very supportive of creation of [multilateral] structures with the caveat that we want them to have a sort of open architecture and be inclusive rather than exclusive.”

Washington appears to be taking a “wait and see” approach toward this December's inaugural EAS to see how it differs from or builds upon the ASEAN Plus Three (APT) initiative (involving ASEAN, China, Japan, and the ROK) from which it is evolving. An EAS was originally proposed by the APT East Asia Vision Group in 2001 as part of its transformation process. While the APT leaders agreed last December to convene the first

EAS in December 2005 in Malaysia, neither the agenda nor participants list has yet been fixed. Criteria for full participation has been established: countries have to become full dialogue partners of ASEAN, have substantial relations with ASEAN, and have acceded or have agreed to accede to the ASEAN Treaty of Amity and Cooperation (TAC). The TAC criteria was seen as an effort, led by Malaysia, to keep Australia out of the EAS, although Australian Prime Minister John Howard has said that his government is seriously considering joining the TAC. New Zealand and India, two other prospective EAS participants, have also agreed to sign the TAC. The U.S. has not.

Secretary Hill, without specifically mentioning the EAS, did say “I think there is a sense that [East Asians] want to create community. I think the issue for us is that we want to be a part of it. . . . as a matter of our national interests, we want to make sure those structures are open.” This may yet turn into a case of “be careful what you wish for.” What are the odds that President Bush, if he were to be invited, would return to Asia for a second trip within a month of the Asia Pacific Economic Cooperation (APEC) Leaders’ Meeting in Busan?

East Asia community building, with or without Washington, is not going to be easy – witness rising nationalism in Japan, China, and South Korea, which has caused tensions in all three sets of bilateral relations and especially between Japan and its neighbors. This quarter saw repeated demonstrations in China against Japan, protesting Japan's bid for a permanent UN SC seat and a recent middle school textbook that “whitewashed Japan's militaristic past.” South Koreans lodged similar protests as President Roh’s “diplomatic war” continued unabated, despite a late June summit between Roh and Japanese Prime Minister Koizumi.

**Dealing with Burma/Myanmar.** The ARF SOM Chairman’s Statement expressed concern about “the pace of the democratization process” in Burma/Myanmar and called for “the lifting of restrictions and for effective dialogue with all parties concerned.” It did not address the issue of who would succeed Malaysia as ARF Chair in mid-2006. Informal discussions with ASEAN officials indicate that a deal has already been reached with Rangoon to skip its turn. However, this has yet to be announced.

Some have speculated that Secretary Rice’s decision to skip this year’s ARF ministerial is aimed at putting pressure on ASEAN to culminate this agreement. If this is so – and there is no firm evidence that it is – this is likely to backfire. Regardless of its intent, the decision by Rice not to go, if not reversed, may deflate the U.S. threat not to attend future meetings or encourage wavering ASEAN members to reduce or retract their pressure on Burma/Myanmar. At a minimum, Secretary Rice’s decision not to attend undermines the Zoellick/Hill message that the U.S. is committed to East Asia multilateralism and wants to stay engaged in Southeast Asia.

## **Regional Chronology**

### **April-June 2005**

**April 1, 2005:** DPRK says it wants Six-Party Talks to be regional disarmament talks now that it is a “nuclear state.”

**April 2-3, 2005:** Anti-Japanese demonstrations in Chengdu, Shenzhen, and Chongqing, express opposition to Japan’s efforts to secure permanent UNSC seat.

**April 3, 2005:** Pope John Paul II dies.

**April 5, 2005:** Japan approves new junior high school history textbooks; Seoul and Beijing protest the “whitewashing of Japan’s militaristic past.”

**April 5, 2005:** State Department issues a statement of concern over avian flu, which has killed 50 people in Southeast Asia to date, and offers bilateral technical and epidemiological help to affected countries.

**April 5, 2005:** Over 20 million Chinese signed an internet petition to block Japan’s UNSC bid.

**April 6, 2005:** PRC voices support for South Korea’s plan to play the role of a “balancer” in Northeast.

**April 7, 2005:** Dalai Lama begins 11-day visit to Japan.

**April 7, 2005:** Japanese FM Machimura and ROK FM Ban hold a side meeting at the Asian Cooperation Dialogue; discuss the Tokdo/Takashima dispute.

**April 8, 2005:** U.S. and China agree to hold regular senior-level talks on political and economic issues. Deputy Secretary of State Robert Zoellick will lead U.S. side.

**April 8, 2005:** U.S. and Thailand conclude third round of FTA negotiations.

**April 9, 2005:** Thomas Schieffer takes up post as new U.S. ambassador to Japan.

**April 9, 2005:** Japan and ROK agree to step up efforts to complete an FTA by year’s end.

**April 9-10, 2005:** In Beijing, Guangzhou, and Shenzhen, thousands protest Japan’s bid for UNSC seat, new textbook, and dispute over energy deposits in the East China Sea.

**April 11, 2005:** Assistant Secretary of State Christopher Hill says no deadline has been set for Six-Party Talks and no concessions will be offered to Pyongyang to return to the talks.

**April 13, 2005:** Tokyo announces deep-sea gas exploration rights will be awarded to private companies in disputed East China Sea area.

**April 13-14, 2005:** In Germany, ROK President Roh says that “serious aid” to North Korean will only be possible when the nuclear problem is resolved; says “the possibility of North Korea’s collapse is very low” and he “has no intention to encourage it.”

**April 13, 2005:** Former Indonesian President Megawati visits Pyongyang, carrying a “reconciliatory” message from President Roh.

**April 13, 2005:** U.S. and China hold inaugural U.S.-China Global Issues Forum in Washington.

**April 13-16, 2005:** Jakarta and Free Aceh Movement (GAM) hold peace talks.

**April 16-17, 2005:** More anti-Japanese protests in 10 Chinese cities.

**April 17, 2005:** North Korea is reported to have shut down its five-megawatt reactor at Yongbyun to remove spent fuel rods for the purpose of reprocessing.

**April 18, 2005:** U.S. threatens to refer the nuclear issue to the UNSC should Pyongyang refuse to restart six-party process.

**April 18, 2005:** G8 finance ministers meet in Washington.

**April 18-19, 2005:** Australian PM Howard visits Premier Wen Jiabao, signs memorandum of understanding to work on an FTA.

**April 20-28, 2005:** Chinese President Hu visits Brunei, Indonesia, and Philippines; attends the Asia-Africa Summit (AAS).

**April 22, 2005:** 80 Japanese lawmakers visit Yakusuni Shrine.

**April 22, 2005:** DPRK Kim Young-nam and ROK PM Lee Hae-chan meet twice on the sidelines of the AAS; agree to resume inter-Korean talks.

**April 22, 2005:** In his AAS keynote address, Japanese PM Koizumi offers apologies for Japanese aggression before and during World War II.

**April 22-24, 2005:** Over 1,200 senior politicians, scholars, and businessmen attend the annual Boao Forum.

**April 23, 2005:** President Hu and PM Koizumi meet on the sidelines of AAS to discuss anti-Japanese sentiment in China.

**April 23, 2005:** *Wall Street Journal* reports that North Korea is planning a nuclear test.

**April 26, 2005:** Indonesian President Yudhoyono and President Hu signs joint declaration on strategic cooperative partnership.

**April 26-May 3, 2005:** KMT Chairman Lien Chan visits China and meets with President Hu, the first meeting of Nationalist and Communist leaders since the 1949 split.

**April 27, 2005:** DPRK is kept on State Department's state sponsors of terror list.

**April 27, 2005:** President Hu and Philippine President Arroyo discuss bilateral relations and regional issues.

**April 28, 2005:** FM Machimura leaves for an eight-day trip to the U.S., to discuss Japan's bid for permanent UNSC seat and the DPRK nuclear program.

**April 28, 2005:** In a press conference, President Bush calls North Korean leader Kim Jong-il a "tyrant" and a "dangerous person."

**April 29, 2005:** Rob Portman is appointed new USTR, calls beef trade issues top priority.

**April 30, 2005:** North Korea responds, calling Bush a "hooligan bereft of any personality as a human being."

**May 1, 2005:** Japan extends Maritime Self-Defense Force refueling mission in the Indian Ocean for another half year.

**May 1, 2005:** DPRK launches short-range missile into the Sea of Japan.

**May 2, 2005:** USFK Gen. LaPorte says any military action against DPRK requires U.S. and ROK consensus.

**May 2-11, 2005:** Deputy Secretary Zoellick travels to Thailand, Malaysia, Vietnam, Indonesia, Singapore, and the Philippines.

**May 2-13, 2005:** *Cobra Gold* disaster response military exercises with U.S., Thai, Singapore, and Japan open in Chiang-Mai, Thailand.

**May 2-27, 2005:** 2005 NPT Review Conference is held at the UN. No official statement is released.

**May 3, 2005:** President Chen reiterates there was no 1992 consensus; invites Hu to come and observe Taiwan's sovereignty.

**May 5, 2005:** President Bush speaks with Chinese President Hu by phone on the North Korean nuclear impasse, the fate of the Six-Party Talks, and cross-Strait relations.

**May 5-12, 2005:** Taiwan's People's First Party Chairman James Soong travels to China.

**May 6-7, 2005:** Asia-Europe Meeting (ASEM) takes place in Kyoto.

**May 8, 2005:** State Dept. reaffirms U.S. backing for Japan's UNSC bid.

**May 9, 2005:** World leaders, including Pres. Bush celebrate in Moscow the 60<sup>th</sup> anniversary of victory over Nazi forces. Numerous side meetings occur.

**May 9, 2005:** U.S. negotiator for the Six-Party Talks Joseph DeTrani meets with North Korean officials at Pyongyang's mission to the UN.

**May 11, 2005:** DPRK spokesman states 8,000 fuel rods were removed at Yongbyon nuclear complex.

**May 11, 2005:** Japanese Vice FM Yachi tells visiting ROK lawmakers that Tokyo is unwilling to share all intelligence on North Korea due to a distrust between Washington and Seoul.

**May 12, 2005:** Hu and Soong make joint statement mentioning "two sides, one China."

**May 12, 2005:** John R. Bolton nomination for UN Ambassador sent to full Senate without recommendations.

**May 13, 2005:** U.S. and North Korea meet for secret working-level talks in New York.

**May 13, 2005:** U.S. announces imposition of temporary quotas on three categories of clothing from China after deciding that a surge in imports is disrupting the U.S. market.

**May 15, 2005:** U.S. warns Group of Four (Germany, Japan, Brazil, and India) that it will not support their UNSC bid unless they agree not to ask for vetoes. Japan's ambassador to U.S. Kato Ryozo says the "Security Council is not like an aircraft, with first class, business, and economy seat."

**May 16-17, 2005:** North and South Korea meet in Kaesong, North Korea to discuss inter-Korean issues. South Korea agrees to send 200,000 tons of fertilizer.

**May 18, 2005:** U.S. adds four more categories of Chinese textile and apparel products to temporary quotas list.

**May 19, 2005:** Negotiators conclude details on customs procedures and reductions in import tariffs on 5,000 items under the ASEAN-China FTA.

**May 20, 2005:** ARF Senior Officials Meeting held in Vientiane, Laos.

**May 20, 2005:** China announces new export tariffs on 74 types of goods.

**May 23, 2005:** Chinese Vice Premier Wu Yi cancels meeting with Koizumi due to “sudden duty” in China.

**May 23, 2005:** Nambariin Enkhbayar of the People’s Revolutionary Party is elected president of Mongolia.

**May 23, 2005:** WHO Assembly refuses Taiwan’s application for membership.

**May 24-26, 2005:** Senior Japanese and U.S. officials meet in Washington for talks on base realignments, defense cooperation, and cost sharing.

**May 25-26, 2005:** President Yudhoyono visits U.S., meets with President Bush.

**May 26, 2005:** Team of scholars and civic organizations from China, Japan, and South Korea jointly publish middle school history textbook.

**May 26-31, 2005:** Jakarta and GAM meet in Helsinki for another round of peace talks.

**May 27, 2005:** Pentagon confirms deployment of 15 stealth fighters to South Korea and suspension of joint U.S.-North Korea program to recover remains of U.S. service men from the Korean War.

**May 27, 2005:** South Korea and Japan sign bilateral agreement on currency swaps worth \$3 billion.

**May 28-June 4, 2005:** U.S. Commerce Secretary Gutierrez travels to Russia and China.

**May 31, 2005:** Russian oil magnate Khordorkovsky is sentenced to nine years in prison by a court in Moscow; Bush calls the verdict “unfair.”

**June 1, 2005:** China scraps export tariffs on 81 categories of clothing, in response to the EU’s decision to impose quotas as well as U.S. decision to re-impose restrictions on Chinese imports.

**June 1, 2005:** Russian FM Lavrov meets FM Machimura in Tokyo, discusses proposed Putin visit to Japan in late 2005.

**June 1-3, 2005:** APEC ministers responsible for trade meet in Cheju.

**June 2, 2005:** Foreign ministers of Russia, China, and India meet in Vladivostok to discuss multipolar approaches to global problems.

**June 3-4, 2005:** SCO holds annual foreign ministerial meeting in Astana. The decision is made to admit Iran, India, and Pakistan as SCO observers.

**June 3-5, 2005:** IISS “Shangri-La Dialogue” held in Singapore.

**June 7-12, 2005:** Japanese FM Machimura travels to Brunei, Vietnam, and Cambodia to secure help in UNSC bid.

**June 10, 2005:** President Roh visits Washington for summit with President Bush.

**June 10, 2005:** A full-scale report of Japan-ROK Joint History Research, launched at a summit between PM Koizumi and President Kim Dae-jung in October 2001, is released, showing a perception gap on key historical events.

**June 13, 2005:** Kang Chol-hwan, a DPRK gulag survivor and author, meets President Bush.

**June 16, 2005:** U.S. announces alternative UN reform package, which calls for addition of two permanent seats.

**June 17, 2005:** ROK Unification Minister Chung meet with Kim Jong-il for five hours to mark the 2000 intra-Korea summit. DPRK states that it is ready to go back to the talks and give up short- and long-range missiles, as soon as Washington shows Pyongyang some respect.

**June 19-26, 2005:** Vietnamese PM Phan Van Khai visits U.S., meets President Bush (June 21).

**June 20, 2005:** PM Koizumi and President Roh hold summit to discuss relations between Tokyo and Seoul.

**June 21, 2005:** Donald Tsang appointed Hong Kong's new chief executive.

**June 21-24, 2005:** North and South Korea meet for Cabinet-level talks in Seoul; DPRK delegation leader Kwon meets President Roh; talks close with a 12-point joint statement, pledging to resume most previous channels of North-South cooperation and set up new ones.

**June 22, 2005:** China National Offshore Oil Corporation (CNOOC) offers unsolicited bid of \$18.5 billion for Unocal, ninth largest U.S. oil firm.

**June 23, 2005:** FM Downer says Australia will decide by August whether to sign ASEAN's Treaty of Amity and Cooperation, thus making it eligible to attend the inaugural East Asia Summit in December.

**June 27, 2005:** President Arroyo admits a "lapse in judgement" by phoning an election's official during May 2004 vote count.

**June 28, 2005:** India and U.S. sign 10-year defense agreement that covers cooperation in weapons production and technology transfers.

**June 28, 2005:** Japan's Emperor Akihito visits WWII memorials in Saipan.

**June 28, 2005:** Chinese customs officials seize 128 Japanese history textbooks over the color of Taiwan and depiction of contested Senkaku/Daiyutai islands.

**June 28, 2005:** The 18<sup>th</sup> ASEAN-U.S. Dialogue held in Washington, D.C.

**June 29, 2005:** Minister Chung briefs VP Cheney and other officials in Washington on his meeting with Kim Jong-il.

**June 29, 2005:** PM Koizumi expresses willingness to keep SDF in Iraq beyond the December deadline.

**June 29, 2005:** U.S. authorities are given new powers to freeze assets of companies believed to be helping North Korea, Iran, and Syria pursue WMD programs.

**June 30, 2005:** North Korea restarts construction on two nuclear reactors halted under the 1994 Agreed Framework.

**June 30, 2005:** U.S. House of Representatives votes 333-92 to block the Bush administration from approving CNOOC takeover of Unocal.

**June 30, 2005:** U.S. envoy DeTrani speaks with senior North Korean diplomat Ri Gun at an academic conference in New York.

**June 30, 2005:** Dalai Lama's envoys and Chinese officials meet in Bern, Switzerland; fourth meeting since the two sides renewed contact in September 2002.

**June 30-July 2, 2005:** Thailand PM Thaksin makes an official visit to China.

**June 30-July 3, 2005:** Presidents Hu and Putin meet at the start of a four-day visit to Russia.