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DEFENSE THREAT REDUCTION AGENCY

**Northeast Asian Strategic Security
Environment Study**

Kongdan Oh Hassig

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BACKGROUND: The Defense Threat Reduction Agency (DTRA) was founded in 1998 to integrate and focus the capabilities of the Department of Defense (DoD) that address the weapons of mass destruction threat. To assist the Agency in its primary mission, the Advanced Systems and Concepts Office (ASCO) develops and maintains an evolving analytical vision of necessary and sufficient capabilities to protect United States and Allied forces and citizens from WMD attack. ASCO is also charged by DoD and by the U.S. Government generally to identify gaps in these capabilities and initiate programs to fill them. It also provides support to the Threat Reduction Advisory Committee (TRAC), and its Panels, with timely, high quality research.

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Environment Study**

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PREFACE

This paper was prepared by the Institute for Defense Analyses (IDA) in partial fulfillment of a task for the Advanced Systems and Concepts Office (ASCO), Defense Threat Reduction Agency (DTRA), and is a part of a larger task entitled, “Study on the Dangers and Challenges Posed by a Highly Proliferated Nuclear World to U.S. National and Global Security Interests.” The goal of this paper is to deliver a succinct yet comprehensive description of Asia-Pacific regional security perceptions and dynamics among six actors in the region: China, Japan, the two Koreas, Taiwan, and the United States.

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In January and April 2001, the author attended two workshops co-hosted by Lawrence Livermore National Laboratory and Stanford University on North Korean nuclear and missile issues. At these workshops, conversations and group discussions were held with Dr. William Perry, former Secretary of Defense, Dr. Ronald Lehman of Lawrence Livermore, Dr. Victor Gilinsky, Mr. Mike Mohr of the U.S. Department of Energy, Dr. Gary Samore of the U.S. Department of State, and Dr. Thomas Henriksen, Dr. Henry Rowen, and Dr. Michael May of Stanford University.

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EXECUTIVE SUMMARY

A. Introduction

Northeast Asia has changed tremendously over the past several decades, presenting a never-ending series of challenges to U.S. policy. But what has not been closely studied are the relations among states in the region, especially in the security and military areas. The goal of this paper is to deliver a succinct yet comprehensive description of Asia-Pacific regional security perceptions and dynamics among six actors in the region: China, Japan, the two Koreas, Taiwan, and the United States. We shall examine current regional security perceptions and relationships as a means of foreshadowing what kinds of multilateral relationships are likely to develop in the next ten to twenty years.

B. Regional Security Perceptions

1. Threat Perceptions: Opening Considerations

Describing *all* the bilateral relationships among the six regional players is beyond the scope of this paper; only three of these states will be described. China is chosen because it poses threats by virtue of its size, economic growth, and military capabilities. In addition, China's politics are both secretive and unstable. The Democratic Peoples Republic of Korea's (DPRK) threats arise from its traditionally revolutionary nature, its secretive policy-making, its potential instability from economic failure, the size of its military, and its WMD development. Lastly, in the eyes of regional states, the United States poses threats because of its size, military power, and active role in East Asian affairs.

2. How China Is Viewed

The **Japanese** cannot agree on whether or not China should be considered a military threat. Given its proximity to China, Japan is predisposed to view its big neighbor as a potential partner. Japan has hesitated to criticize or question Chinese actions. Only in the 1990s did Japan's non-confrontational attitude begin to fray, as Chinese naval operations reached out to disputed territories and its missiles flew toward Taiwan. China's nuclear testing was also a sore point for non-nuclear Japan.

South Korea shares with Japan many of the same views toward China, but most South Koreans feel less threatened by China than do the Japanese. Three schools of thought regarding China exist: “China the Troublemaker,” “China the Threat,” and “China the Partner.” The latter view is by far the most popular.

Taiwan views China as a very real security threat. Taiwanese believe that China might adopt a more aggressive line toward Taiwan if (1) the Taiwanese government declares its independence; (2) the United States announces that it will supply advanced weapons to Taiwan and/or include Taiwan in BMD coverage; or (3) the United States becomes involved in a major regional conflict elsewhere.

The **North Koreans** no longer see China as a staunch defender of Communism, yet China has provided massive assistance to North Korea in the form of aid, barter exchanges, and trade at “friendship” prices, and remains the best friend that the North Koreans have.

3. How North Korea Is Viewed

In addition to being a security liability, North Korea is an economic drain on **China’s** resources. Politically, dynastic North Korea is an embarrassment to Communism. China is also troubled by North Korea’s missile and nuclear programs, which threaten to create a regional arms race. Nor does it want Korean refugees crossing its border. The currently tense U.S.-China relationship gives China’s North Korea card added value.

The **Japanese** and North Koreans don’t like each other. Japan is vulnerable to North Korean missiles. The Japanese believe that at least a dozen Japanese citizens have been kidnapped by North Korean agents over the years. Add to this the fear of North Korean submarines, the smuggling of drugs into Japan, and the fear of an influx of North Korean refugees.

Two very divergent views on North Korea exist in **South Korea**. The more popular view is that Koreans in both the north and the south are a homogenous people who can and should live together. The other view is that North Korea is a military threat. Most South Koreans do not believe that the North Koreans would ever use WMD against fellow countrymen, but they are aware of their vulnerability to conventional attack.

4. How the United States Is Viewed

The United States is viewed as a threat on several counts: (1) for its sheer size and power; (2) for its willingness to use its political, economic, and military power to

influence the policies of other states; and (3) for its robust presence overseas and large defense budgets.

China's main concern is that the United States will use its security alliances and military power to prevent China from taking the kinds of actions that the United States has traditionally taken to make the world safe for itself and its way of life. An anti-China attitude on the part of some political constituencies in the United States also threatens China's hopes of participating fully in the international community.

The **Japanese** value their ties with the United States, but they also understand the importance of getting along with their neighbors. The new Koizumi government, with outspoken Makiko Tanaka as its minister of foreign affairs, has so far demonstrated a mixed reaction to the U.S.-Japan alliance.

Major changes in U.S. Asian policy generally have strong influences on **South Korea's** security position and defense policies, a fact that often frustrates the South Koreans. Above all, the ROK wants peace on the Korean peninsula and in the region, whereas Washington's first priority is to stop the proliferation of WMD.

The **North Koreans** believe that the United States is trying to destroy their socialist system. U.S. missile defense is perceived as threatening to the DPRK because such systems would give the United States more freedom for military intervention in North Korea by degrading the North's retaliatory capacity, and missile defense technology could be used in the development of more accurate offensive missiles that could target the DPRK.

In **Taiwan's** case, the very existence of its government and society is at stake. Hostile U.S.-China relations pose a grave danger to Taiwan. On the other hand, Taiwan can never be certain about the strength and effectiveness of a U.S. commitment to come to its aid in the event of a Chinese attack.

5. National Security Capacity

Commonly and narrowly viewed, national security capacity refers to a state's military capacity to defend itself and to resolve conflicts. Indicators of capacity include GDP, military spending, and so forth. But there are many relevant factors less easily defined and calculated, including the national decision-making process, strategic culture, leadership, institutional and legal preparedness, and the historical experiences of a nation.

Decision-Making Process

While it may be too much to say that there is a shared Asian style of decision-making, several elements of the process are found in a number of countries to a greater degree than they are found in the United States: (1) an extremely small number of people are involved in making major national decisions; (2) decision-making is dominated by in-group members; (3) considerations of domestic stability and regime security are paramount; and (4) decision-making favors the status quo.

Strategic Culture

This is a broad topic requiring full study, and simplification is dangerous. Nonetheless, one point may be offered by way of introducing the importance of strategic culture for a state's national security capacity: long-term "strategy" is an abstract concept that most Asians (with the exception of the Chinese) do not take as seriously as do Americans.

C. Regional Security Dynamics

1. Key Bilateral Relations in Asia

One of the most critical developments in post-Cold War Asia has been the appearance of bilateral relationships that were often not predicted by American strategic thinkers. A few key relationships deserve attention because they have the potential to change the nature of the political landscape in Northeast Asia.

China-Japan. It appears that Japan may depart from its traditional principle of separating economics from politics in its China policy. To accommodate U.S. security concerns, Japan revised its defense guidelines in 1997, a change that China interprets as a possible sign of Japanese rearmament. The bilateral relationship is beginning to show signs of strain.

China-South Korea. China has chosen to separate economics from politics, which makes it easier to deal with South Korea while not irreparably damaging China-North Korea relations. In the last several years, China and South Korea have gradually developed dialogue on non-economic issues, including military discussions.

South Korea-Japan. Economic, cultural, and academic exchanges between the two countries are robust. History, however, has remained a stone in the path of good relations. Under Prime Minister Koizumi's conservative leadership, there is little reason to expect that South Korean-Japan relations will markedly improve in the near future.

2. Important Factors in Asia's Changing Security Dynamics

Among the many changes and developments, six are selected for brief examination:

- **China's Fourth Modernization:** The build-up of military power in order to respond to the multilateral challenges of the post-Cold War era.
- **Chinese Nationalism:** Employed in the post-Communist era by China's leaders to keep the CCP in power.
- **Aging U.S. Alliances:** The role of U.S. forces is a matter of debate among South Koreans; likewise, Japanese, especially on Okinawa, are tiring of the U.S. force presence.
- **Inter-Korean Relations:** South Koreans are more relaxed about the North.
- **Japan's Bid to Be a Normal State:** The emergence of right-wing nationalism in Japan and the desire to become a more "normal" state, with greater military power.
- **U.S. Missile Defense:** A major difference between American and foreign perceptions of missile defense is that most foreigners see the United States as a sometimes aggressive power.

I. INTRODUCTION

Northeast Asia has changed tremendously over the past several decades, presenting a never-ending series of challenges to U.S. policy. From proliferation of weapons of mass destruction (WMD) to rapid democratization and economic growth, Asia has been the center of dynamic development. In the years ahead, the East Asian states will continue to seek their own security (in the absence of a regional security community) and improve their social, economic, and political institutions, the better to participate and compete in the global community.

The region's economic growth has received much attention in the West. Political developments have received somewhat less attention since their consequences have less direct impact on states outside the region. China and Japan have been more closely studied than the two Koreas and Taiwan. Overall, it is probably fair to say that the American policy community feels reasonably well informed about what is happening in East Asia.

What has not been closely studied are the relations between states in the region, especially in the security and military areas. American policymakers are sensitive to bilateral U.S.-Asian relations as they fan out to individual states (the "Baker fan" after former Secretary of State Baker's formulation), but the topic of multilateralism usually evokes skepticism over the possibility that East Asia will ever create a single security community, with or without the participation of the United States. Yet in the absence of an East Asian NATO, mini-multilateralism in the form of bilateral and trilateral communities has the potential to evolve, possibly at the expense of Cold War-era U.S. alliances in the region. Such intra-regional relations could reshape the security environment of all states with interests in the region.

The main purpose of this report is to examine regional security perceptions and relationships. A substantial body of research on this topic already provides a good orientation for policy formulation. The present study focuses on intra-Asian bilateral ties rather than single country studies or U.S.-Asian bilateral relations. Asian economic and political development has profoundly affected the psychology of the Asian people. Ordinary citizens as well as the policy elite feel a new pride and national confidence. Perceptions have also changed with the advent of post-Cold War economic, political, and social engagements. In the 1990s, newly forged diplomatic relations between erstwhile

foes (the ROK's relations with China and Russia), rapprochement between former rivals (the ROK with Japan, China with Russia), and emerging national exchanges within divided nations (China and Taiwan, the two Koreas) created a very different strategic environment for the region and for the United States. These are the developments that deserve careful examination.

The paper proceeds as follows. First, a survey is presented of regional perceptions of three potentially threatening countries—China, North Korea, and the United States (suggesting that these three may be perceived as threats by other countries in the region does not mean that any of these three *intends* to present a threat). Second, the security objectives of five regional countries are briefly reviewed in order to provide a background for understanding both their perceptions and the logic of their regional relationships. Third, two aspects of national security capacity are introduced by way of illustrating that threats, and the perception thereof, involve more than responses to guns and bombs.

The second major part of the paper begins with a look at what the author believes are three key bilateral relations that have the potential to change the nature of the Northeast Asian security environment. Following this same line of thought, the next section considers six relatively recent changes in the regional environment that may shape the security future of the region. The paper concludes with a brief discussion of the need for the United States to adopt regional policies that are both consistent with U.S. national interests, and responsive to the perceptions and interests of the other states in the region, most especially the perceptions and interests of our allies.

II. REGIONAL SECURITY PERCEPTIONS

National security perceptions—how a state views the level of its security relative to the level it desires—are shaped by three important factors: threat perceptions, security objectives, and capacity to achieve security objectives. Numerous other factors play lesser roles in creating security perceptions, including the size of economy and population, and the nature and strength of the national ideology or political philosophy.

A. Threat Perceptions: Opening Considerations

This paper takes a very broad view of threat perceptions. Threats can be defined either by actor (country) or by action. A threat may have its origins in the posture or actions (e.g., government policy) of a given state, or it may arise in response to another state's actions. Whatever their policies, states with large territory, large population, or large military capacity pose the greatest threat to their neighbors. The threat is magnified when such a state seeks to hide its decision-making processes. Since threats may be based on past, present, or possible future actions, history and memories must be taken into account to explain threat perceptions. Actions may be intentionally or unintentionally threatening, but the impact and consequences of such actions depend primarily on how they are perceived by others.

Security dynamics in Northeast Asia involve the three established nuclear powers—China, Russia, and the United States—and the four regional powers—Japan, Taiwan, the ROK, and the DPRK (the latter may or may not have a nuclear capability). Even if one ignores the regional role of Russia, a former superpower whose influence in the region vanished in the 1990s, describing each of the many possible bilateral relationships among the remaining six countries is impractical. To simplify, bilateral relations with only three of these states will be described. China is chosen because it poses threats by virtue of its size, economic growth, and military capabilities. In addition, China's politics are both secretive and unstable. The DPRK's threats arise from its traditionally revolutionary nature, its secretive policy-making, its potential instability from economic failure, the size of its military, and its WMD development. Lastly, in the eyes of regional states, the United States poses threats because of its size, military power, and active role in East Asian affairs.

B. Bilateral Perceptions

1. How China Is Viewed

It is impossible to ignore China, whose economic growth is catching up with its territory and population. Despite manifold weaknesses in its economic and political systems, China was one of the few East Asian states that weathered the 1997 financial crisis without appreciable hardship, and the Chinese economy continues to grow strongly.¹ Simply as an emerging economic power, China can be perceived as a state that must be accommodated by other states. In military-security affairs, two incidents have raised the specter of a belligerent China. The first was China's 1996 launch of missiles in the direction of Taiwan as an intimidating tactic. The second was the forcing down of a U.S. EP-3E surveillance plane in April 2001, and China's belligerent tone in handling the issue. Sinologists are divided about whether China will soon become a great power, or a troubled state riven with political and social conflict. Opinion is equally divided on whether China should be considered a rising hegemon or a large developing state seeking only a peaceful environment in which to develop its economy.

a. How Japan Views China

Japan is insecure and highly sensitive to threats from any direction. Having abandoned the option of developing its military in step with its economy, Japan shelters under the protection of the U.S.-Japan security alliance and the U.S. nuclear umbrella. Like the Americans, the Japanese cannot agree on the degree to which China should be considered a military threat. The China desk staff of the Ministry of Foreign Affairs (MOFA), along with China specialists in the policy analysis and private sector, are inclined to view China as a cooperative and peaceful economic partner. The American desk staff in MOFA, on the other hand, nervously peer at China through the same prism as security-conscious Americans.

Analysts at the Japanese Self-Defense Agency (JDA) likewise worry about a Chinese threat because they think within the context of the U.S.-Japan alliance. Any potential enemy of the United States is potentially an enemy of U.S. allies. Foreign and defense policy specialists working for the Diet (often called "tribesmen") have considerable influence on policy, as well. Functioning as advisors to party politicians,

¹ In the year 2000, China's GDP was \$1.1 trillion in current dollars (World Bank figure), with a purchasing power parity value of \$4.5 trillion (CIA World Fact Book). By comparison, the U.S. GDP was \$9.9 trillion (World Bank figure). U.S. GDP growth in the late 1990s was in the 3-5 percent range, whereas China's was in the 7-9 percent range (World Bank figures).

they tend to take a neutral stance—at least on the surface. However, in recent years they have become increasingly vocal in expressing their views, and they seem to pay particularly close attention to new emerging issues; for example, the U.S.-China relationship and its impact on Japan.

Domestic factors also contribute to Japan's views of China. Japan has a weak foreign policy; in fact, often Japan does not seem to have any independent foreign policy at all. Fifty years of taking the lead from Washington have created a weak foreign policy community in Tokyo. In addition, the country suffers from weak political leadership. In the early 1990s, reforms were initiated to make Japan's politicians less dependent on special interests and the conservative bureaucracy, but after a brief period of political experimentation and party fragmentation, traditional party politics under the Liberal Democratic Party resumed in the wake of a weakening Japanese economy. Old-line politicians with their eyes on domestic constituents returned to govern the country more as caretakers than as leaders. The election in April 2001 of Junichiro Koizumi, brought on by public frustration over do-nothing politicians, may signal yet another attempt at political reform, or it may not. The cultural need for national consensus on all issues is another barrier to Japan's adopting a more active foreign policy.

Given its proximity to China, Japan is predisposed to view its "big neighbor" as a potential partner: a large nation with a rapidly growing economy and population, one that seeks a military consistent with its size. Since the end of the Pacific War, Japan's basic strategy toward China could be termed constructive engagement—a legacy of the Yoshida Doctrine (Shigeru Yoshida was an early post-war political leader who formulated Japan's foreign policy and national strategy). According to this doctrine, Japan's secure future depends upon playing the role of a peace-loving, non-confrontational performer in international relations; the history of Japan-China reflects this strategy. Japan has hesitated to criticize or question Chinese actions. Only in the 1990s did Japan's non-confrontational attitude begin to fray, as Chinese naval operations reached out to disputed territories and its missiles flew toward Taiwan. China's nuclear testing was also a sore point for non-nuclear Japan. In the middle of the 1990s, Japanese leaders raised issues with China and warned that continued Chinese military modernization and aggressive pursuit of national and territorial interests could damage relations with Japan.²

² Michael J. Green and Benjamin L. Self, "Japan's Foreign Relations," *Survival*, Summer 1996, pp. 35-58.

This changing attitude in Tokyo made possible the 1997 revision of its Defense Guidelines, according to which Japan would provide more support to U.S. forces in the event of regional conflict. Some Chinese interpreted the revised guidelines as a pretext for Japanese re-armament. In early 2001, strong anti-Japanese sentiment among the Chinese public was also aroused by Japan's school textbook revision (watering down or ignoring Japan's aggression toward China in the first half of the twentieth century). Many Japanese now argue that China poses a wide range of future threats: (1) nuclear proliferation and missile development, which will trigger regional proliferation; (2) aggression toward Taiwan that will involve the United States and Japan; and (3) social and political disintegration of China that would send refugees to Japan (several thousand arrived after Tiananmen). Although opinions in Japan are still split over the China threat question, the general mood seems to be turning more hostile.

b. How South Korea Views China

The establishment of diplomatic relations between the ROK and China in 1992 did not immediately open a warm and trusting relationship, but political, social, and economic exchanges between the two countries since normalization have improved steadily. As a staunch U.S. ally, the ROK shares with Japan many of the same views toward China, but most South Koreans feel less threatened by China than do the Japanese, for mostly cultural reasons. (Likewise, no anti-Korean sentiment exists in China.) Differences in Korean attitudes toward China largely can be explained by differences in generations and professions: older generations and public officials feel more threatened by China.

Three schools of thought regarding China have prevailed in South Korea since the 1992 normalization (before which, China was viewed as an enemy Communist state). One school of thought, prevalent among Korean liberals and many NGOs, views China as a source of current and continuing problems on human rights, freedom of religion, and environmental issues. This "China the Troublemaker" group is critical of the current Chinese leadership, but not hostile toward the Chinese people. Another opinion is held by the "China the Threat" group. This is a minority opinion scattered across various communities including the media, academia, and military. However, even the most vocal promoters for this group do not express the same degree of hostility as some American security and strategy specialists, in that this second Korean group rarely advocates policies like "deterrence," "containment," or "confrontation." The third school of thought is the majority group opinion arguing that the China-ROK relationship has the potential

to be a “cooperative partnership.” This group advocates closer and more cordial ties in commerce, diplomacy, and social-cultural exchanges. In recent years, this group has even favored military exchanges. This “China the Partner” group consists largely of the younger generation in the public and policy community.

The pace of normalization in social and economic relations between China and ROK has been impressive. Every year, over 1.5 million Koreans and Chinese visit each other for tourism, business, and academic exchanges. There are over 100 passenger flights a week. Trade ranges from agricultural products to cellular phones. In 1999, bilateral trade between the two countries reached \$25 billion, making them each other’s third largest trading partners. Koreans return from their travels with an enhanced appreciation of China, both as a modernizing country and the true origin of Asian culture and civilization. Interestingly, these positive views of China have bred critical views toward the United States, which is seen as a strong Western critic and competitor of China. Throughout the 1990s, China was the rising country in the Asian neighborhood, a country to be proud of, while in the eyes of most Koreans the United States was an outsider.³

A number of high-profile incidents since 1992 have lent a positive tone to ROK-China relations. For example, in February 1997 Hwang Jang Yop, a member of the DPRK politburo, along with his colleague Kim Duk-hong, defected to the ROK Embassy compound in Beijing and asked for political asylum. Since Hwang was the architect of the North Korean national ideology of *juche*, his defection could be compared to Thomas Jefferson defecting to England. The North Koreans demanded Hwang’s return and even sent North Korean security agents to the neighborhood of the ROK compound, presumably to kidnap Hwang (but the Chinese boosted their security). Squeezed between an old friend, North Korea, and a new and more economically valuable friend, South Korea, China resolved the situation by sending Hwang to Manila, from whence he traveled to the ROK several weeks later.

Crisis management often serves as the best indication of the strength of a partnership, and China passed the test by South Korea’s standards. China’s handling of the Hwang defection illustrates how a potentially explosive issue can be finessed by a powerful country without damaging its relations with less powerful neighbors. Saving

³ Taeho Kim, “South Korea and a Rising China: Perceptions, Policies, and Prospects,” a paper prepared for publication in *The Dragon Awakes: Perceptions and Perspectives of the China Threat*, co-edited by Ian James Storey and Herbert Yee.

face (by having Hwang take an indirect route to the ROK) is an important consideration and a well-developed skill in all the East Asian countries.

Another critical incident testing the China-ROK relationship was the garlic trade conflict of 2000. Korean farmers petitioned their government to halt the import of cheap Chinese garlic or impose high tariffs on it. Without carefully investigating the situation, the Seoul government imposed a stiff tariff. The Chinese government retaliated by imposing a high tariff on Korean-made cellular phones and polyethylene. Unfortunately for the ROK, the garlic market was less than \$9 million a year, while the cellular phone market in China for Korean manufacturers amounted to \$40 million and the polyethylene market was worth \$470 million. The ROK government recognized its grave mistake and removed the garlic tariff.⁴ Once again, the more powerful nation prevailed, and the Koreans wisely accommodated themselves to Chinese demands—even while getting the better of the economic deal.

The Korean public and policy-making community see China as the single most important foreign influence on the long-term goal of Korean reunification. Chinese aid to North Korea is substantial, and the two allies frequently discuss how to support each other (both as countries and as Communist regimes) in the face of competition and hostility from the United States and its allies. As long as the two Koreas remain divided, China is the powerful neighbor who can use its influence and geographical proximity to shape the environment of the two Koreas. It may be an exaggeration to say that China holds North Korea's fate in its hands, but if the Chinese chose to cut off all aid and close their border to Korean refugees and traders, the Kim Jong Il government would be hard-pressed to keep its economy from totally collapsing. China's influence over South Korea is much weaker, but Chinese economic leverage is still substantial.

South Korea is far from satisfied with China's treatment of the divided Korea problem. Chinese economic support for North Korea is generally appreciated because South Koreans do not want to shoulder a heavier economic burden themselves, nor do they want the North Korean government to feel cornered. However, South Korean NGOs and religious leaders have called on China to be more responsive to the needs of the tens of thousands of North Korean refugees on Chinese soil who are hunted down by North Korean security agents and returned to the DPRK. South Korean environmentalists want China to take a more active role in curbing environmental damage, including industrial

⁴ Scott Snyder, "Beijing at Center Stage or Upstaged by the Two Kims?" *Comparative Connections* (a quarterly E-journal on East Asian bilateral relations), Volume 2, Number 2, Second Quarter, 2000, pp. 85-86.

and dust pollution in the atmosphere that blows across the Korean peninsula. But in the larger context, the two nations have made the transition from Cold War enemies to cooperating neighbors in a very satisfactory manner.

c. How Taiwan Views China

Although the Chinese Communist Party (CCP) remains in control of the population on mainland, its control is gradually weakening—a matter of grave concern to the aging leaders in Beijing. The demise of global communism has deprived the CCP of ideological support from other Communist parties. In Northeast Asia, China and North Korea are the two remaining Communist regimes, and it is an open question how much Beijing appreciates the ideological support of the dynastic Kim regime in Pyongyang. In this context, China's territorial claim to Taiwan is more than the desire to regain lost territory. It is an issue of legitimacy for the Communist regime.⁵

Island skirmishes in the Taiwan strait in 1949, 1954, and 1958 illustrate the potential for conflict. During the Cold War, China saw little hope of severing the U.S.-Taiwan relationship that underpins Taiwan's independence. Since a one-China policy has been advocated by nearly everyone, Chinese and foreigners alike, Washington's adoption of such a policy when it normalized relations with Beijing in 1972 did little to change the actual relationship between Taiwan and mainland China. In 1987, the Chinese Communist Defense Law legitimized the use of force to retake Taiwan, a drastic introduction of an aggressive posture to back Beijing's territorial claim. Chinese military exercises and missile firings in 1994 and 1996 put teeth into the law. China continues to conduct air exercises and build up its missile capability along the coast. China's Deputy Premier and the former Foreign Minister, Qian Qichen, has warned that China cannot wait indefinitely for reunification.

Taiwan views China as a very real security threat, as well it should. Chinese military exercises near Taiwan keep the Taiwanese on their toes. Security strategists worry about the possibility of Chinese cyber warfare, and the activation of Chinese spies and moles. If China were willing to risk a conflict, it could shoot down Taiwanese aircraft, sink ships, mount a sea blockade, and lob missiles at the island. There is little Taiwan could do to protect itself from any of these provocations. If a full-blown conflict were to erupt, Chinese air, sea, and missile attacks on strategic targets would destroy

⁵ Nan Li, *From Revolutionary Internationalism to Conservative Nationalism: The Chinese Military's Discourse on National Security and Identity in the Post-Mao Era*, *Peaceworks*, No. 39 (Washington, DC: United States Institute of Peace), May 2001, pp. 25-26.

much of Taiwan's infrastructure, although the consequences for China would be serious in terms of political isolation, damage to mainland installations from Taiwanese retaliation, and damage to the very island that the Chinese call their own.

Under what circumstances might China adopt a more aggressive line toward Taiwan? Taiwanese security strategists suggest three dangerous scenarios: (1) the Taiwanese government refuses to discuss reunification with China, or worse, announces its independence; (2) the United States announces that it will supply advanced weapons to Taiwan and/or include Taiwan in BMD coverage; or (3) the United States becomes involved in a major regional conflict elsewhere.

From Taiwan's perspective, the China threat appears to be growing. A pro-independence president was elected in Taiwan in 2000. China's military capabilities continue to grow, especially with the purchase of modern Russian aircraft. Chinese troops are being indoctrinated with further doses of nationalism. The Bush government's more vocal anti-Communism adds fuel to the fire of Chinese emotions, and Washington's continuing criticisms of China's domestic affairs is making the Chinese people more nationalistic. For its part, the Chinese leadership does not want to show any signs that it is constrained or intimidated in pursuit of its national policies.

As long as China firmly adheres to its territorial claim to Taiwan, Taiwan's leaders will remain alert to threats from the mainland. Taiwan's younger generation, indigenous population who were born after 1949 have no ideological axe to grind. They want to see Taiwan accepted as a full member in the global community rather than as an observer pending reunification with the mainland. Almost all Taiwanese desire to preserve their independence until such time as the CCP relinquishes its political grip on the mainland and the old-line leaders in Beijing have passed from the scene.

Regardless of this tension, cross-strait economic exchanges have continued to grow at a rapid pace. Indirect two-way trade between Taiwan and China exceeds \$30 billion annually. Taiwan's investment in China reached \$43 billion in 1999. The growing mutual economic dependence tempers mutual threat perceptions. Interestingly, in 2001, the Taiwan government showed signs of desiring to moderate Taiwanese investment in China in order to slow down Taiwan's growing economic dependence on the mainland.

d. How North Korea Views China

“As close as lips and teeth” is how the DPRK-China relationship continues to be characterized in both countries. For the older generation of Chinese leaders, North Korea’s late leader Kim Il Sung was a special friend who joined the Chinese Communist forces to fight against Japan during the 1930s and 1940s. China repaid Kim (in fact Kim himself commanded only a small band of fighters) by sending a million Chinese soldiers to save Kim’s army from defeat in the Korean War.⁶ Over the years, the bilateral relationship has experienced more continuity than change, although incidents in China during the Great Cultural Revolution strained relations between the two countries.

The diplomatic normalization between China and South Korea in 1992 (following the ROK’s normalization with the Soviet Union the previous year) was a turning point in North Korea’s perception of and policy toward China, but it did not end the relationship. China was no longer seen as an ideological soul mate and staunch defender of Communism. China’s pragmatic desire to pursue economic goals and take its place as a major power was counted as a betrayal by the ideologically inclined North Koreans, to whom economic pragmatism was a foreign term. The North Korean press accused the Soviet Union and China of being prostitutes who sell their body and soul for money, but the criticism directed at China was more muted than that directed at the Soviet Union, for China was North Korea’s last friend.

Soon after normalization with the ROK, China formally announced that trade relations with the DPRK would have to be put on a hard-currency footing, although they never were. This announcement was a blow to North Korea, which was already suffering from a foreign exchange shortage and a weakening economy. During the Cold War era, both the Soviet Union and China had provided massive assistance to North Korea in the form of aid, barter exchanges, and trade at “friendship” rather than at world market prices. After the demise of the Soviet Union, Russia virtually stopped its trade and aid to North Korea. China, despite its stern economic warning, continued to support North Korea economically.

Since the 1980s, the Chinese have been advising the North Koreans to reform their economy along Chinese lines. Kim Il Sung and his son and successor Kim Jong Il visited China in the 1980s to observe the new economic boom, but the outcome of these visits was no more than a few half-hearted attempts to lure foreign investors into the

⁶ Ilpyong J. Kim, “China in North Korean Foreign Policy,” in Samuel S. Kim ed, *North Korean Foreign Relations in the Post-Cold War Era*, (Hong Kong: Oxford University Press, 1998), p. 94.

North Korean market. Over ten years later, Kim Jong Il again visited China (in May 2000 and January 2001) and reportedly marveled at the progress that Shanghai had made in the intervening years. Yet, despite a flurry of editorials in the North Korean press urging the people to follow their leader into the information age, no changes were made in the structure of the North Korean economy. North Korean economic cadres strongly deny that their country would ever consider following the Chinese model. According to the North's ideology, there is only one way of doing things, and that is the uniquely Korean way, whether it works or not.

Although it was the Chinese, not the Russians, who rescued Kim Il Sung's forces in the Korean War, after the departure of Chinese troops in 1958 it was the Soviet Union that played the greater role in supplying the North Korean military. Over the years, Chinese-North Korean military relations have consisted primarily of visits of military delegations, although the two countries signed a mutual defense treaty in 1961. Thus it came as a shock to the North Koreans when China and the ROK began to exchange military visits. These visits, of relatively low-ranking officers, were intermittent throughout the 1990s. Then in August 1999, the ROK Defense Minister paid an official visit to China to attend the first ROK-PRC Defense Ministerial Talks with his counterpart, General Chi Haotian.⁷ Chi reciprocated with a visit to the ROK in January 2000. The North Koreans held their tongue, but they must have been concerned. On a strategic level, China has strongly discouraged the DPRK from developing nuclear weapons. When China joined the Four-Party Talks to arrange a permanent peace on the Korean peninsula in 1997, the Chinese made it clear that there should be no more nuclear states in Northeast Asia.

North Korea and China recognize their geopolitical "burden of proximity" as neighbors sharing a common border. Domestic instability in either country will become the neighbor's problem as well. Conflict in the region will affect both countries. Historically, China was an hegemonist. Chinese and Koreans fought many battles on the Korean peninsula and in Manchuria. Occasional border conflicts have flared up even in the 20th century without seriously eroding the bilateral relationship. North Korea's economic troubles drive hundreds of thousands of its citizens into China seeking food and jobs. South Korean and foreign charities have established themselves clandestinely along the border to aid these economic refugees. Beijing denies that they are refugees, calling them illegal border crossers. Chinese police and North Korean security agents

⁷ Taeho Kim, "A Testing Ground for China's Power, Prosperity and Preferences: China's Post-Cold War Relations with the Korean Peninsula," *Pacifica Review*, Volume 13, Number 1, February 2001, p. 36.

track down the refugees and forcibly return them to North Korea, where they are often punished for leaving the country (by law, a treasonable offense).⁸ The Chinese seek to expel the refugees not because of a desire to please the North Koreans (although they have a repatriation agreement), but because China does not want more Koreans in its northern provinces. The issue of China's treatment of these refugees will become a more contentious issue in the years ahead. For China, it is a no-win situation.

The North Koreans are wary of China, and always have been. They realize China has chosen a pragmatic path that will leave North Korea behind. They know that China views the DPRK as something of a rogue state, a potential troublemaker on China's border. But because of the recognized burden of proximity, and because the DPRK has no better friend, relations remain cordial on the surface.

2. How North Korea Is Viewed

The DPRK is important because of its geographical position between China and Russia on the one hand and South Korea and Japan on the other, a position that put it on the frontline of the Cold War. Yet without the threats to peace and regional stability posed by its WMD programs and a hungry population, the DPRK would be fairly easy to ignore. One of the Kim Jong Il regime's important tasks is to hold the attention of the big powers, the better to solicit the foreign aid on which its existence depends. Dealing with the DPRK is a frustrating job, and the Kim regime's interlocutors have recognized from the outset what a repulsive government it is. Yet so long as the Kim regime has a WMD capability, it will be a government to be reckoned with.

a. How China Views North Korea

Although China is a nominal ally of North Korea, who may or may not consider that it has the obligation by treaty to come to the North's assistance in time of war, off the record the Chinese readily admit that North Korea is a troublemaker in the neighborhood. In addition to being a security liability, North Korea is an economic drain on China's limited resources. Chinese food donations in the last five years are estimated at 750,000 tons. Although this is a significant cost, the Chinese calculate that it is less costly to prop up the Kim regime than to deal with hoards of hungry North Korean refugees.⁹

⁸ A Report on North Korean Refugees, International Secretariat, Human Rights Without Frontiers, June 8, 2001, website: <http://www.hrwf.net>.

⁹ Author interviews with Chinese officials and government analysts in Beijing, September 9-12, 1997.

Politically, dynastic North Korea is an embarrassment to Communism. China has its own political dinosaurs, but Mao never succeeded in placing his son on the throne.

China seems to be most troubled by North Korea's missile and nuclear programs. The August 1998 North Korean rocket launch over Japan strengthened the U.S.-Japan alliance and encouraged the Japanese to push ahead with joint research on a regional BMD system, exactly what China did not want to see, since any such system has the potential to degrade China's small nuclear threat.

DPRK provocations in various forms complicate the valued China-ROK relationship. The ROK is the fifth largest investor in China, and China is the third largest trade partner for the ROK. Pyongyang's belligerent actions and domestic instability could invite U.S.-ROK interventions near China. Even Japan might be induced to provide military support for an intervention if the situation were serious. China did not want U.S. troops near its border during the Korean War, and it does not want them there today.

Nor does China want Korean refugees crossing its border, as noted above. Treat them harshly, and the South Koreans and international community will be angered. Treat them kindly and more will come. China cannot afford to sit on the sidelines and watch North Korea flounder around, since benign neglect will not solve the problems created by a failed North Korea.

China also has to keep an eye on DPRK-Taiwan relations. North Korea's swing strategy between China and the Soviet Union helped secure its attention and aid during the Cold War. What about a new swing strategy between the two Chinas? The deal to ship Taiwan's nuclear waste to North Korea seems to have fallen through, but both countries are to some degree outcasts in the international community, and both are threatened by a reunification that would destroy their governments. Taiwan is cash rich and North Korea is dirt poor. Given these circumstances, there is the potential for mutual support.

Chinese officials argue that China will never desert an old friend such as North Korea. And the currently tense U.S.-China relationship gives China's North Korea card added value. This card would be worth far more if North Korea would strengthen itself by adopting Chinese style reforms, but to China's chagrin, this doesn't seem to be happening. Thus, to China, North Korea may be a bird in the hand in terms of Communist solidarity, but that bird looks very much like an albatross.

b. How Japan Views North Korea

Not to put too fine a point on the matter, the Japanese and North Koreans don't like each other. It is a question of emotion rooted in recent and distant history, as much as a question of different political and economic systems and specific provocations from one side or the other. Japan is vulnerable to North Korean missiles, and the anti-Japanese rhetoric coming out of Pyongyang does nothing to allay that fear. The August 1998 rocket launch delivered a tremendous shock to the Japanese government and people, reminding them of the destruction they suffered from nuclear weapons during the Pacific War.

Japan has always been a fertile ground for spies and political agents sent out by both Koreas. The large, pro-DPRK Japanese-Korean Association *Chosoren* and its pro-ROK counterpart *Mindan* further complicate Japan's relations with the two Koreas. North Korean spy boat intrusions into Japanese waters occur regularly. The Japanese believe that at least a dozen Japanese citizens have been kidnapped by North Korean agents over the years and taken to the DPRK to provide instruction to other agents. This very incendiary issue has blocked normalization talks between the two governments. Add to this the fear of North Korean submarines (such as those that have been caught in South Korean waters), the smuggling of drugs into Japan, and the fear of an influx of North Korean refugees if the DPRK should ever collapse, and Japan, only a few hundred miles across the sea from North Korea, has good reason to worry.

Neither the Japanese public nor policy leaders expect that North Korea, under the leadership of Kim Jong Il, is likely to adopt significant political or economic reforms. By the same token, they do not expect that economic conditions in North Korea will improve in the foreseeable future, or that the hatred of the North Korean government and its people for the Japanese will subside. In this sense, Japanese are perhaps more realistic in viewing North Korea than are many South Koreans. To prepare for the long haul, some Japanese security strategists advise that rules and laws (involving a revision of the constitution) be prepared to enable Japan to cooperate with the United States in responding to crises around the Korean peninsula. Clearly, any such change in the constitution would further complicate the work of the Japanese foreign ministry staff to pursue active dialogue with North Korea. In fact, such plans for more active military engagement would alarm all the states in Northeast Asia, including South Korea. Under the Koizumi administration, Japan is unlikely to actively court North Korea, and even

further humanitarian aid (on top of a \$1 billion food contribution made in 2000) will be difficult to propose.

c. How South Korea Views North Korea

In its 2000 Defense White Paper, the ROK military once again designated the DPRK as the “main enemy.” The statement is inconsistent with the engagement policy of South Korean President Kim Dae Jung, who introduced the “sunshine policy” on the day he took office. Many South Koreans revised their negative opinion of North Korea immediately after the June 2000 inter-Korean summit, but the ROK military remained skeptical and on guard. Two very divergent views on North Korea exist in the ROK. One view is that Koreans in both the north and south are a homogenous people divided by foreign powers, speaking the same language and sharing a 5000 year history, who can and should live together. The other view is that, since North Korea carried out an attack against South Korea in the Korean War, still fields a formidable military machine with WMD, and continues to try to undermine the ROK society and government, it is essentially an enemy.

The North Korean military threat is enhanced by Pyongyang’s lack of transparency in governance. Kim Jong Il is supported by the military; could he be dominated by them? Does the military favor a military solution to reunification? Most South Koreans believe that the North Korean leadership, starting with Kim Jong Il, are frustrated but not crazy. However, the lack of credible information about North Korean decision-making makes most people nervous. The North’s ban on all free contact between North and South Koreans provides a further chilling feeling. What do the average North Korean people think about South Koreans? When North Korean commandos landed on South Korean beaches in September 1996 and again in June 1998, rather than surrender they tried to shoot their way back to North Korea (in the first case) or committed suicide (in the second case). It seems to be true that, as North Korean propaganda boasts, North Korean soldiers are ready to die for the “beloved and respected general” Kim Jong Il.

North Koreans put a high value on WMD as an important component of their “porcupine strategy”: attack and you will regret it. South Koreans, on the other hand, view the use of WMD as committing national suicide. Porcupine strategy aside, most South Koreans do not believe that the North Koreans would ever use WMD against fellow countrymen. The North’s large conventional forces and artillery targeting Seoul would be the more likely weapons of an assault against the South. Given the proximity of

North Korean forces to the capital of Seoul, South Koreans are aware that they are always vulnerable to conventional attack. Most do not spend much time thinking about something they can do nothing about. However, some South Koreans believe that the DPRK has never abandoned plans to reunify the nation by force and finishing up the business of the “Fatherland Liberation War” of 1950-1953.

North Koreans are viewed both as “brothers” and “second-class citizens.” South Koreans fear that the weak North Korean economy will ultimately hurt the health of the entire Korean economy. It is probably fair to say that more South Koreans are concerned about the economic threat posed by the North’s collapsed economy than about the threat of military attack. During the administration of President Kim Dae-jung, the South’s tolerance for North Korean provocation has risen. In part, this lack of concern may be attributed to President Kim’s downplaying of North Korean provocations in order to save his sunshine policy. In mid 2001, North Korean commercial ships crossed into South Korean waters without prior notice, evoking only a mild response from the ROK government (although a much harsher response from the press). North Korean fishing boats sometimes intentionally cross the Northern Limit Line into South Korean waters. In the past, such incidents might have escalated into serious confrontations. It will be interesting to see whether this more relaxed attitude toward North Korean provocations will continue after the Kim Dae Jung administration departs in 2003.

3. How the United States Is Viewed

The United States is widely recognized as the foremost model of a democratic market economy. It is noted for its strong respect for individual freedoms and legal institutions, the transparency of its governance, and the openness of its society. However, the United States is also viewed as a threat, for several reasons. First, it is the only superpower, and for decades has been the strongest superpower in both military and economic terms. Being on top means being an easy target of criticism, and a convenient scapegoat for others’ problems. Second, the United States has demonstrated on many occasions that it is willing to use its political, economic, and military power to influence the policies of other states, in some cases even when those policies are domestic in nature. U.S. military force is evident throughout East Asia in the form of 100,000 American troops, a large naval presence, and formidable surveillance capabilities. Third, its continuing robust presence overseas, backed up by large defense budgets, is a strong indication that the United States intends to maintain its military influence, even ten years after the end of the Cold War. It turns out that the enemy of the United States is not

Communism, but anything that could be considered a threat to world peace and stability. Thus, any state can be a potential target of U.S. military action.

a. How China Views the United States

China's main concern is that the United States will use its security alliances and military power to constrain China from taking the kinds of actions that the United States has traditionally taken to make the world safe for itself and its way of life. For example, China wants to control sea lanes near its territory and exercise authority over disputed islands. It wants to keep ethnic groups in adjacent regions from supporting its ethnic minorities. And it wants to keep democratic influences from permeating its borders. China strongly opposes BMD, which reduces the deterrent value of China's 20 ICBMs. China opposes more localized versions of BMD as well, which would reduce the value of its 100 IRBMs, boost Taiwan's feelings of independence, and increase the likelihood of American intervention in a Taiwan crisis. China also opposes close American security alliances with Japan and with the ROK. Japan's revised 1997 defense guidelines (which provided for a more active defense role for Japanese forces independently and in support of U.S. forces) were severely attacked by China as a new document preparing for Japan's renewed aggression against other Asians.

China has not denounced joint U.S.-ROK and U.S.-Japan military exercises (as the DPRK regularly does), but it would certainly oppose any military exercises related to the protection of Taiwan. Chinese actions following the emergency landing of the U.S. surveillance plane on Hainan Island show how Chinese perception of the legitimacy of such surveillance, thousands of miles from the U.S. mainland, differs from U.S. perceptions of the need to keep track of the capabilities of any potential adversary. The reaction of the Chinese public to that incident, which resulted also in the death of a Chinese fighter pilot, illustrates the widespread condemnation of the U.S. self-appointed role as world policeman.

An anti-China attitude on the part of some political constituencies in the United States also threatens China's hopes of participating fully in the international community. For example, China's perception that the United States was trying to veto China's bid for the 2008 Summer Olympics was widely condemned.¹⁰ Another example is the U.S. role in setting standards for China's membership in the WTO. Yet the Chinese leaders and cadres are well aware of the importance of the United States as one of China's most

¹⁰ *Washington Post*, June 25, 2001.

valuable commercial partners. The two-way trade in 2000 lopsidedly favored China, which pocketed a trade surplus of approximately \$84 billion.

b. How North Korea Views the United States

Given the limited opportunity of Americans to hold frank dialogue with North Korean leaders, it is often difficult to know what those leaders are thinking. However, on one issue the DPRK has been consistent in its public and private statements: it believes the United States is trying to crush North Korean socialism. After decades of anti-American propaganda, the majority of the North Korean people seem to be convinced of this as well. BMD is perceived as a threat to the DPRK on three counts. First, such systems would give the United States more freedom for military intervention in North Korea by degrading the North's retaliatory capacity. Second, missile defense systems would force the DPRK to spend money it doesn't have to expand its IRBM missile forces beyond the current 100 Nodongs, and push ahead with plans for ICBMs. Third, the North Koreans fear that missile defense technology could be used in the development of more accurate offensive missiles that could target the DPRK.

An interesting and important question is how realistically the North Koreans view the United States, given their limited experience with Western democracies in general and Americans in particular. Since Kim Jong Il seems to hold absolute power in his country, he may believe that political relations with the United States can be relatively simple, with one leader agreeing with another leader to get something quickly done. The political power of the U.S. Congress and the pressure of political interest groups throughout American society are probably difficult for the North Korean leader to appreciate. If he paid more attention to them, the government-controlled North Korean press would presumably do a better public relations job of presenting the DPRK in a more favorable light to the American public, rather than calling them degenerate cannibals.

c. How Japan Views the United States

Since the end of the Pacific War, Japan's foreign policy has been closely tied to U.S. Asian policy. The United States views Japan as the main pillar of its influence in East Asia. Historically, though, Japan has always been an outsider in Asia, an island nation that alternated between keeping to itself and attacking its neighbors. Japan's role as the main U.S. security pillar has further alienated the Japanese from other East Asians, who see Japan as part Asian and part Western. The Japanese highly value their ties with

the United States, but they also appreciate the importance of getting along with their neighbors.

Japan has been one of the most positive endorsers of the U.S. missile defense, but that is not saying much. Japan “understands” the U.S. BMD program, which would not provide much protection to Japan but would most likely trigger regional and global nuclear and missile proliferation, significantly worsening Japan’s security position. The Japanese may cooperate to some extent with the United States on developing a regional BMD system, but they will try to make their program appear to be an independent effort rather than an extension of the U.S. system. In June 2001, the new Defense Agency chief, Mr. Gen Nakatani, told his hosts in Washington that a Japanese BMD would be independently operated.¹¹

China is concerned that a Japanese BMD system might simply be a cover for a U.S.-controlled system to shield Taiwan from Chinese missiles. The Japanese are more aware than most Americans that even a well-functioning BMD system provides only limited defense against the many possible forms of attack that could be launched against a country, especially by close neighbors. The Japanese are even debating the question of whether an indigenously constructed BMD program might violate Japan’s “peace constitution.”

The new Koizumi government, with outspoken Makiko Tanaka as its minister of foreign affairs, has so far demonstrated a mixed reaction to the U.S.-Japan alliance. Koizumi publicly welcomed the expressed intention of the Bush administration to upgrade the importance of the U.S.-Japan alliance to the level of the U.S.-U.K. relationship. Foreign Minister Tanaka, however, has shown some support for demands from the Japanese public (and the government of Okinawa) that the United States reduce its forces on Okinawa, a thorny but crucially symbolic issue.

d. How South Korea Views the United States

Even more than is the case for Japan, the ROK’s foreign policy is influenced by the United States. The ROK’s defense system is also more dependent on the United States than is Japan’s defense system. Major changes in U.S. Asian policy generally have strong influences on the ROK’s security position and defense policies, a reality that is often frustrating to the Koreans. In the past, this frustration has usually been hidden, but the younger generation of Korean political leaders have a tendency to express their

¹¹ *Mainichi Daily News*, June 23, 2001, P. 2a.

anxiety and dissatisfactions more boldly when they believe that U.S. policies are working against Korean national interests. On some issues the United States has bluntly demanded that the ROK alter its policies, as in the 1970s when the United States vetoed the ROK's decision to pursue its own nuclear weapons program. The United States continues to put a limit on the range of missiles that the ROK can develop by withholding necessary U.S. technology.

The most troublesome discrepancy between U.S. and ROK policy preferences concerns the prioritizing of foreign policy goals. Above all, the ROK wants peace on the Korean peninsula and in the region. Washington's first priority is to stop the proliferation of WMD (with hints that the United States might be willing to take military action against the DPRK if it refused to halt its nuclear program). The ROK does not support BMD for its own use since it would not address the most immediate threat to the ROK's security, which is North Korea's conventional forces. The ROK is also very sensitive to China's objection to any U.S. missile defense system.

South Korea's perennial problem is North Korea; specifically, keeping the North Koreans from provoking or attacking the South, and beyond that, promoting inter-Korean exchange and cooperation. What upsets the South Koreans most is U.S. action (or inaction) on North Korean issues. It is therefore troubling to policy-makers in Seoul that U.S.-DPRK relations are not always transparent. Improved U.S.-DPRK relations, including a sweetheart missile deal, might give the North Koreans alternatives to reconciling with the ROK. Worsening U.S.-DPRK relations might drive the current constructive engagement policy of the ROK to a stalemate. Ignoring the DPRK might cause the North Koreans to stage a provocation to gain attention. The United States is the first focus of DPRK strategy; the ROK finds itself more often than not accepting the consequences of whatever the current U.S.-DPRK relationship brings.

e. How Taiwan Views the United States

Taiwan is even more vulnerable to Chinese attack than the ROK is vulnerable to an attack from the DPRK. In Taiwan's case, the very existence of its government and society is at stake. This is a level of insecurity that Americans would find unbearable. Hostile U.S.-China relations pose a grave danger to Taiwan. On the other hand, Taiwan can never be certain about the strength and effectiveness of a U.S. commitment to come to its aid in the event of a Chinese attack, or more problematically, in the event of a Chinese provocation. Four months after taking office, President George W. Bush said on *Good Morning, America* that the United States would do "whatever it takes" to defend

Taiwan if it were attacked by China. But it is not clear that this statement represents official U.S. policy, which has traditionally remained ambiguous on this issue.

BMD is of dubious value to Taiwan for several reasons. First, BMD cannot protect Taiwan from clouds of Chinese SRBMs, not to mention the many other delivery vehicles that the Chinese could muster. Second, BMD is likely to provoke China to build even more missiles. Taiwan has shown interest in upgrading its SRBM defense from the PAC-2 to PAC-3 or to an Aegis system, and has longer-term (symbolic?) interest in THAAD or NTW. Taiwan has not expressed any policy on the U.S. BMD program, which would provide no direct benefit to the island's protection. However, an effective BMD shield for the United States might embolden Washington to play a stronger role in the defense of Taiwan by allaying fear of a Chinese retaliatory attack on the U.S. mainland. Taiwan considered its nuclear options in the 1980s, and some Taiwanese want to achieve a "nuclear-ready" status, but they have presumably been dissuaded by the United States and other nations.

4. Security Objectives of the Key Players

a. China

To distinguish between national objectives and security objectives is often a difficult task, precisely because the two sets of objectives are complementary and mutually reinforcing. Take the case of China. Presently, China pursues a very comprehensive set of national objectives that encompass its major security objectives. China defines its national objectives in five areas: (1) protecting Chinese sovereignty; (2) maintaining Chinese security; (3) preventing Taiwan's independence; (4) securing a favorable international image; and (5) promoting economic development.¹² Out of these five objectives, the first three appear to be core security objectives that are inter-related and mutually supporting.

In the minds of the Chinese leaders, national sovereignty, security, and independence are three inseparable components of a strong China, a China that will not be intimidated by foreign powers. To these concerns should be added the strong political desire of the leaders of the CCP to protect their political authority. During the Cold War, China's definition of national sovereignty narrowly focused on protecting its mainland territory from enemies, and preserving its revolutionary regime. In the post-Cold War era,

¹² Michael Oksenberg and Elizabeth Economy, "Introduction: China Joins the World," in Elizabeth Economy and Michael Oksenberg, eds., *China Joins the World: Progress and Prospects* (New York: Council on Foreign Relations Press, 1999), pp. 21-23.

China has enhanced its definition of security with the idea that cultural and social influences from outsiders are a threat to its security as well. Thus, human rights, environmental pressure, political pluralism, and religion are viewed as threats to Chinese sovereignty. In this sense, China's comprehensive definition of security embraces not only its physical territorial integrity but also its social-political integrity. A rising China wants to redeem itself from centuries of humiliation at the hands of the Western powers.

China's territorial integrity includes Taiwan and the South China Sea area, hence the determination to prevent Taiwan from seceding, even at the risk of war. Taiwanese secession supported by U.S. intervention is a highly likely scenario for U.S.-China conflict. Beijing understands that the United States accepted the one-China policy when it normalized relations in 1972. But the "loss" of Taiwan to China would be a blow to American national pride and to the credibility of U.S. defense commitments (even though in Taiwan's case the commitment is not in treaty form). For China, the loss of Taiwan through its independence would be viewed as relinquishing national sovereignty and independence. Thus, for China, the stakes are very high.¹³ The proclamation of Taiwanese independence needn't be perceived as such a tragedy by the Chinese, since they could consider that at some future date the Taiwanese would choose to reunify with the mainland, but the Taiwan issue has become so strongly charged over the years that China is highly unlikely to take such a benign view.

China's views on national security rest on a "pure" balance-of-power Realpolitik: the pursuit of goals without depending on mutual security guarantees or collective security cooperation with other states.¹⁴ China views its military strength to be somewhat inferior to that of the other regional powers, such as the United States, Japan, and Russia. This explains China's relentless military buildup and modernization—a self-defined catch-up process, not an offensive buildup. The new post-Cold War multipolar strategic environment is still evolving, prompting China to pursue both conventional and non-conventional weapons to cope with uncertainties (just as the United States is doing). The major components of China's across-the-board improvements include a naval buildup, technological advancement in C3I, and creation of more leverage for China on diplomatic

¹³ One of the better presentations of the China-Taiwan issue can be found in Thomas J. Christensen, "Posing Problems without Catching Up," *International Security*, Vol. 25, No. 4, Spring 2001, pp. 5-40.

¹⁴ Thomas Christensen, "Chinese Realpolitik," *Foreign Affairs*, September/October 1996, pp. 37-39.

and military dimensions.¹⁵ Domestically, Chinese leaders have tried to build support for their authority by promoting conservative nationalism.

b. Japan

Japan pursues three basic security objectives. First, to keep the U.S.-Japan alliance robust. Second, to improve and develop Japan's defense capability in order to defend Japan from intrusion and attack, even in the absence of U.S. support. Third, to promote active diplomatic efforts to ensure international peace and stability. Since its defeat in the Pacific War, Japan has accepted U.S. advice on, and even supervision of, its national economic and political rebuilding. With American protection and assistance, Japan has evolved from a war-torn nation to an economic giant. The alliance has been an undeniable success story, and has survived numerous crises of disagreement over the years.¹⁶ The second Bush administration has stated its desire to strengthen this alliance even further.¹⁷

Ironically, at this juncture Japanese security objectives may become a source of conflict with the United States. One area of concern is the growing number of Japanese opinion leaders who are demanding that the United States reduce its force presence on Okinawa. Of course, pressure for force reductions on Okinawa is nothing new, but recent demands have a greater sense of urgency, as if years of dissatisfaction are building up steam. The proposed move of the U.S. Marine base from Futenma to Nago City, which will necessitate building a giant heliport, is a reversion to the past in the eyes of many liberal thinkers in Japan. They believe that rather than build new facilities, the Marines should be thinking of going home.

Another issue of concern is that a more robust alliance with the United States means that Japan will become more involved in regional conflicts, including those involving Taiwan and the Korean peninsula. The revised defense guidelines of 1997 were ratified by the Japanese Diet in 2000, and preparations are now under way to draw up the legal documents and implementation plans to provide for Japan's greater participation in collective security efforts. The implications of the new defense guidelines have not been

¹⁵ Michael D. Swaine and Alastair Iain Johnston, "China and Arms Control Institutions," in *China Joins the World: Progress and Prospects*, pp. 93-97.

¹⁶ Stuart Harris and Richard N. Cooper, "The U.S.-Japan Alliance," in Robert D. Blackwill and Paul Dibb eds., *America's Asian Alliance*, BCSIA Studies in International Security (Cambridge, Massachusetts: The MIT Press, 2000), pp. 31-37.

¹⁷ Two papers aptly summarize the George W. Bush administration's Japan policy. See, INSS Special Report, *The United States and Japan: Advancing Toward a Mature Partnership*, October 11, 2000; and David Asher, "Could Japan Become the 'England of the Far East'?" AEI Papers and Studies, June 2001.

adequately debated in Japan. Thus, the irony of the alliance is that, whereas it has served well as a bulwark of Japan's security, in the future it may involve Japan in unwanted military engagements.

Another area of concern is what place Japan should take in the international order. For example, in the Gulf War, Japan contributed \$13 billion to the allies, but received little thanks from Kuwait or Saudi Arabia. In fact, Japan's banker role was belittled in the absence of any Japanese military involvement.¹⁸ As part of the reexamination of its peace constitution, many Japanese think it is time to consider whether Japan should play more than a financial and humanitarian role in the international community now dominated by the United States. Japan's military and political power trail far behind its economic power. If it enhances the former types of power, not only may other Asian nations fear a return of Japanese militarization, but also Japan's foreign policy positions may conflict with those of the United States. The United States wants Japan to revise its constitution in support of U.S. security initiatives, but how would Americans feel if Japan begins to pursue its own initiatives?

c. North Korea

The principal security objective of North Korea, under the supreme leadership of Kim Jong Il, is to preserve the Kim regime. Secondary is the concern to preserve national territory, sovereignty, and independence. North Korea is aware that the surrounding nuclear and nuclear-umbrella states are indifferent or unfriendly to Kim Jong Il's leadership. For example, China wants to keep North Korea as its socialist ally, but does not necessarily respect or trust Kim Jong Il. American officials, even while negotiating with the North Koreans, make no secret that they abhor the Kim government, although the Pyongyang visit in October 2000 of a smiling Secretary Albright seemed to send a different message—one she strove to discount by announcing to her American audience that “these glasses that I have on are not rose-colored.”¹⁹ Thus, the Kim regime must put a high priority on preserving its power, apart from preserving the independence of the state.

North Korea's shrinking economy does not allow for much military modernization. Certainly the North Korean military, while quantitatively superior to South Korean forces, lags years behind in technology, and probably even in equipment

¹⁸ Francis Fukuyama and Kongdan Oh, *The U.S.-Japan Security Relationship after the Cold War* (Santa Monica: RAND, 1993), pp. 15-21.

¹⁹ Harold Hongju Koh, “A Breakthrough in North Korea,” *Washington Post*, November 2, 2000, A 29.

readiness. By cultivating a reputation as a volatile state, and holding out the possibility of a WMD capability, North Korea has skillfully developed a plausible defensive position, despite whatever weaknesses it may suffer from. It is a simple but very effective strategy, especially when the two Koreas are so close to each other, and when South Korean society is so relaxed about the North Korean threat. The DPRK's strong defensive position, with virtually all citizens trained as soldiers, a landscape filled with mountains, and thousands of civilian and military installations hidden underground, adds to its strategic position. The North's nuclear and missile industries also provide an excellent source of leverage in economic dealings with the United States. Since the first evidence of North Korea's nuclear weapons program leaked to the outside world in the late 1980s, the United States has found it impossible to ignore the North Korean regime. By this token, it is difficult to believe that the North Koreans would ever completely abandon their WMD programs and thus relinquish the leverage they hold over the world's greatest superpower.

d. South Korea

ROK national objectives are presented in the annual National Defense White Paper: (1) Korea will protect its sovereignty, seek peaceful unification, and ensure lasting independence under the ideology of democracy; (2) Korea will protect the freedom and rights of its citizens and create a social welfare system that achieves equality in their standard of living; and (3) Korea will work to improve its status in the international community in order to bring dignity to the nation and contribute to world peace.²⁰ National security policies are three-fold, and follow from national objectives. First, South Korea will maintain a firm security posture. It will not attempt to absorb or militarily threaten North Korea for the purpose of achieving unification. At the same time, it will not be intimidated by North Korean provocations. Second, South Korea will work to create a unified economic system on the Korean peninsula in preparation for reunification. Third, South Korea will work to end the Cold War atmosphere on the Korean peninsula.²¹

South Korean policies toward North Korea have changed at several points over the past 50 years. The recent "sunshine policy" toward North Korea, the product of the Kim Dae-jung administration that began its five-year, non-renewable term of office in

²⁰ *Defense White Paper 2000*, Republic of Korea (Seoul: Ministry of National Defense, December 2000), p. 65.

²¹ *Defense White Paper 2000*, pp. 65-66.

early 1998, departs from previous policies in a number of important ways. This policy follows three major principles and six guidelines to pursue its objectives toward North Korea. The three principles are: (1) no armed provocation; (2) no absorption of the North; and (3) reconciliation and cooperation between the two Koreas. The six guidelines are: (1) pursuit of national security in parallel with South-North cooperation; (2) realization of peaceful coexistence and exchanges as a first step toward reunification; (3) creation of a positive national and international environment that will make it easier for the North to change; (4) promotion of South-North projects that provide mutual benefit; (5) securing international support for the principle that Koreans themselves should determine their national fate; and (6) pursuit of a policy toward North Korea rooted in a South Korean national consensus.²²

South Korea's national objectives in regard to domestic and international goals have been pursued with considerable success, even though the economic situation has not always been favorable. Objectives pertaining specifically to North Korea have been pursued with somewhat less success, partly because of the absence of a domestic national consensus (prevented in part by severe party politics), and partly because North Korea is not sure that it wants to pursue unification on South Korea's terms, which may well weaken the Kim Jong Il government even while leading to peaceful reunification.

e. Taiwan

As a virtually independent state whose national sovereignty has been denied by the international community at the behest of mainland China, Taiwan's national security objectives are defined in simple but strong terms: to avoid war. To varying degrees, policy-makers have advocated an explicitly "defense-oriented" national security strategy to cope with the large military capacity and relatively aggressive intentions of China. Under current President Chen Sui-bian, who took office in 2000, Taiwan's defense strategy has adopted a "preemptive defense" [xianshi fangyu].²³

To implement preemptive defense, President Chen emphasizes the importance of maintaining qualitative naval, air, and information superiority to China in order to suppress and destroy the enemy's war-fighting and logistic capabilities at an early stage of any conflict. The previous pure defense strategy is judged to be impractical given the

²² *Defense White Paper 2000*, pp. 66-67.

²³ Andrew Nien-Dzu Yang, "Threat Perception and ROC's National Defense Policies," A paper prepared for an international conference on *China Threat Perceptions from Different Continents*, Hong Kong, January 2001, pp. 12-13.

shallowness of Taiwan’s defense, which could be quickly overcome by a concentrated Chinese attack, leaving Taiwanese forces with no counterpunch capabilities. Chen and his national security advisors also promote “preventive defense” as a supporting principle. This means that Taiwan will seek to promote confidence-building measures, active diplomacy, and other forms of engagement with China. Specific measures to implement this defense include the publication of an annual defense white paper to provide military transparency, setting up hot lines between Taipei and Beijing, and seeking regular personnel exchanges and discussions between the two military organizations.²⁴

5. National Security Capacity

a. Definition

Commonly and narrowly viewed, national security capacity refers to a state’s military capacity to defend itself and to resolve conflicts. Indicators of capacity include GDP, military spending, the number and quality of conventional and non-conventional weapons, the size of the armed forces and reserves, and the quantity of national reserves of energy and other resources to wage a protracted war. Population size might be added if the nation is very large or very small.

But there are many factors that are less easily defined and calculated but that still affect security capacity. These include the nature of the national decision-making process, strategic culture, leadership, institutional and legal preparedness, unity, strength of nationalism, and the historical experiences of the nation. The importance of such factors is indicated, for example, by the outcome of the war in Vietnam. To assess national security capacity in terms of these factors is well beyond the scope of this project, but two factors—the decision-making process and the strategic culture—are briefly presented below.

b. The Decision-Making Process

The decision-making process may not be a core factor in assessing national security capacity, but the process is important for understanding a nation’s overall capacity to handle a national crisis. While it may be too much to say that there is a shared Asian style of decision-making, several elements of the process are found in a number of countries to a greater degree than they are found in the United States.

²⁴ Yang and also Wen-cheng Lin, “Taiwan and the Asia Pacific Stability,” A Peace Forum Paper, May 2001, pp.1-5.

One characteristic is the extremely small number of people involved in making major national decisions. The best examples come from China and the DPRK, but the phenomenon can be found as well in the ROK, Taiwan, and Japan. The recent publication of the transcripts of the leadership meetings at the time of the Tiananmen incident shows that the major decisions were made by a small handful of top politburo members of the CCP.²⁵ Given the immense size of the Chinese bureaucracy and the number of top cadres in Beijing, the fact that less than a dozen ranking party members participated in the internal debate is quite shocking. In North Korea, decision-making is assumed to be even more secretive and dictatorial. The best guess is that Kim Jong Il alone makes all important decisions, perhaps after consulting a few members of his unofficial kitchen cabinet.

South Korea's policy-making process is open compared to China's and North Korea's, but that isn't saying very much. Key decisions are made in The Blue House (the presidential office). Members of the legislature are only advised after the fact. There is no space for debate or consensus building. True, the legislature has gradually grown in power so that today it can block some of the presidential decisions, but usually parliamentary disagreement with the president simply creates parliamentary gridlock, and the president goes on with his plan.

A second decision-making feature is the domination of decision-making by in-group members. As in the case of South Korea, the ruling party or clique controls the process. Secrecy prevents outsiders and party opposition members from interfering in the process. In South Korea today, for example, decisions on almost all national issues are made by people from the President's home province of Cholla who are placed in positions of power throughout the bureaucracy. Sometimes the central government even spreads misinformation to confuse outsiders, the public, and the foreign audience. This is seen most frequently in the DPRK, whose government-controlled news reports often seem to have little relation to what is actually going on in the country.

A third feature is the degree to which considerations of domestic stability and regime security are paramount. This tendency can be partly explained by the tumultuous history of many of these states, who were subject to revolutions, invasions, and political coups. Not surprisingly, contemporary decision-makers seek to avoid such disruptions by taking firm control. Another explanation may be that leaders whose power does not

²⁵ "The Tiananmen Papers," introduced by Andrew J. Nathan, *Foreign Affairs*, January/February 2001, pp. 2-48.

reside in a popular political process must constantly be on guard against showing any weakness or indecision. Thus, the decision to respond to the Tiananmen incident with military force lest protest spread further demonstrated to the people that the top leaders in Beijing were in charge. North Korea's Kim Jong Il regime has taken this control to the ultimate step by punishing any dissent, whether voiced in public or in private. South Korean leaders, ruling after a decade of political liberalization, have to put up with a considerable amount of public dissent, but they seek to avoid or preempt the massive public demonstrations of past decades that sometimes led to the fall of the government. In Japan, domestic stability is so inbred in the culture that people practically police each other, and the government has less need of using oppressive tactics, although decisions are still often made in secret and presented to the public in a disingenuous manner.

Lastly, decision-making favors the status quo. This is probably true in most countries at most times, but except for the communist revolutionary rulers of the first half of the twentieth century, East Asia has not been known for its political or economic innovations or rapid responses to changing environments. Democracy was established in Japan by the Americans, but it took years for the idea to permeate through society, and democratization in Japan is still a work in progress. The same is true of South Korea and Taiwan, which continue to undergo gradual democratic transformations. Capitalism is gradually expanding in China, resisted by the old guard political leaders. Democracy has hardly gained a foothold. Nor has it in the DPRK. Should conflict in Asia or elsewhere demand Asian response or participation, this inability to respond quickly or creatively will be a negative factor that hurts effective management of national security.

c. Strategic Culture

Strategic culture is a broad topic requiring full study, and simplification is dangerous. Nevertheless, one point may be offered by way of introducing the importance of strategic culture for a state's national security capacity.²⁶

"Strategy" is an abstract concept that many Asians do not consider very seriously. Things happen and are accepted, but often they are not planned. Several of the current governments in East Asia are relatively young. Government leaders lack the security to take long-term perspectives. China, where the leaders do not have to worry about popular

²⁶ Caroline Ziemke, research staff member at the Institute for Defense Analyses, has been studying this important area. Recent work includes *Strategic Personality and the Effectiveness of Nuclear Deterrence*, IDA Document D-2537 (Alexandria, VA, November 2000), and *Proliferation Hygiene and Preventive Nonproliferation Strategies: A Strategic Personality Framework*, IDA Paper P-3639 (Alexandria Virginia, August 2001).

elections every four or five years, is a notable exception. In fact, China has a long tradition of strategic thinking. Taiwan, where national survival is a serious issue, is another exception. In Japan, the tenure of a prime minister averages around eight months; Japanese politicians (in contrast to business leaders, whose tenure is relatively long) tend to react rather than plan. Most Asians think that only rich Americans can have the luxury of developing long-term strategy. To the extent that governments engage in long-term planning, lack of transparency and the small number of decision-makers often makes it impossible for outsiders to discover what those plans may be.

With decision-making process and strategic culture as two intangible national capacity factors, a few concluding remarks about security objectives can be offered. First, military preparedness and capability alone cannot present a full picture of national security capacity. Second, cultural and political variables will play key roles during crisis and conflicts. Third, Asia today favors the status quo, relying on negotiations and feints and alliances (perhaps with the United States) to resolve conflicts and avoid wars. Finally, in order to predict and evaluate change in East Asia, political and strategic factors, as well as the quantitative factors of national security capacity, must be taken into account.

III. REGIONAL SECURITY DYNAMICS

A. Key Bilateral Relations in Asia

One of the most critical developments in post-Cold War Asia has been the appearance of bilateral relationships that were often not predicted by American strategic thinkers, and therefore not accounted for in their strategic plans. Excluding the United States, Northeast Asia has six players: China, Japan, the DPRK, the ROK, Taiwan, and Russia. Not all the possible bilateral relationships can be described here, just as not all bilateral perceptions could be considered above. But a few key relationships deserve attention because they have the potential to change the nature of the political landscape in Northeast Asia. These relationships involve China and Japan, China and South Korea, and South Korea and Japan.

1. China-Japan

Three principles guide Japan's official relations with China: separation of economy from politics, use of economic aid to build a favorable relationship, and non-interference in China's domestic affairs. These guidelines were not established all at once, but gradually emerged in the thinking of business, academic, and government leaders from the time the two countries normalized relations in 1972. Many Japanese leaders became strong China supporters, arguing that China's economic modernization would benefit Japan and Asia, and in the process China would become a cooperative democratic and capitalist country. Some Japanese demonstrated an almost religious enthusiasm to support and promote China.²⁷ Throughout the 1980s and 1990s, with China readily accepting Japanese overseas development aid and investment, the bilateral relationship prospered.

On several historical occasions, China and Japan have fought each other. The war that ultimately changed the existing order in East Asia was the Sino-Japanese War of 1894, fought on the Korean peninsula. China, the old power, was defeated by Japan, the newly rising military power. China's defeat at the hands of a much smaller country was a

²⁷ Sadako Ogata, "The Business Community and Japanese Foreign Policy," in Robert A. Scalapino ed., *The Foreign Policy of Modern Japan* (Berkeley, California: University of California Press, 1977), pp. 175-178.

bitter moment of new awakening for the Chinese leaders.²⁸ A wave of Japanese imperial aggression toward China throughout the 1930s and 1940s rekindled China's belief that only military power could secure a nation's sovereignty and prestige.

Despite the excesses of Mao, the modern Chinese have been pragmatists, as have the Japanese. China accepted contemporary Japan as an economic and technological partner when the two normalized relationships in 1972. Thorny issues between the two countries, such as management of Japan-Taiwan relations, human rights abuse in China, airborne pollution coming from China, unresolved historic legacies including the Japanese textbook controversy, and trade disputes have never seriously jeopardized their bilateral relations. This era of amity may, however, be coming to an end.

Japan's 2001 Defense White Paper identified Chinese military modernization as a serious problem for Japanese national security and for regional stability. Unlike the previous year's White Paper that evasively said that China was increasing its military budget to provide larger salaries for its soldiers, the 2001 version asserts that the bigger budget will go to buy more modern weapons. It is notable that both the progressive *Asahi Shimbun* and the conservative *Yomiuri* newspapers expressed deep concern about the Chinese military budget increase.²⁹

It appears that Japan is about to depart from its traditional principle of separating economics from politics in its China policy. A strongly worded *Yomiuri* editorial raised the issue of the role of Japan's generous Official Development Assistance (ODA) to China. Japan's annual ODA budget is around \$12 billion, much of it going to China and Indonesia. Accordingly, Japan must reconsider how to use ODA if China continues building missiles and acquiring modern weapons from Russia. Chinese defense white papers do not disclose much about the military's size, equipment, or procurement plans. If China continues to hide its military budget, the Japanese are likely to think twice about providing massive sums of development aid.

Japan has supported China in its push for economic modernization. For Japan, transformation of China from a rigid Communist state to a market economy is a valuable goal, and the Japanese felt comfortable about lending assistance through ODA and commercial exchanges as long as China was an underdeveloped and economically poor neighbor. The aid also helped wash away the moral stain of Japanese aggression against

²⁸ Akira Iriye, *China and Japan in the Global Setting* (Cambridge, Massachusetts: Harvard University Press, 1992), pp. 3-37.

²⁹ *Asahi Shimbun and Yomiuri Shimbun*, July 7, 2001.

China during the imperial period. During the Cold War, China accepted Japan's peace-oriented politics, even while considering Japan to be a junior ally of the United States. The two did not need to discuss strategy or politics as their immediate national goals were economic in nature, not political. Thus, a potential game of international politics gave way to economic and cultural exchanges.

The bilateral relationship today presents a different picture. Japan's economy is still in the doldrums, while Chinese growth is robust. To accommodate U.S. security concerns, Japan revised its defense guidelines in 1997. Some Japanese leaders are talking about amending their "peace" constitution so Japan can project its power a greater distance from the islands. China interprets this tendency as a sign of Japanese rearmament. For the first time, the bilateral relationship is beginning to show signs of serious strain.

2. China-South Korea

The normalization of China-South Korean relations in 1992 has been good for both countries. For South Korea, the normalization provided greater international recognition and an assurance that the Cold War was ending and that China would henceforth use its influence to promote peace on the Korean peninsula. For China, the normalization brought both diplomatic and economic benefits. China became a swing player on the Korean peninsula—the only major power to have good relations with both Koreas. South Korea increased its trade with China and became one of the most important investment sources for that country. As a result of these joint ventures, China has acquired technology and business management skills from South Korea.

To a large extent, the relationship was an emulation of the China-Japan relationship. In the Korea case, China chose to separate economics from politics, which made it easier to deal with South Korea, a staunch ally of the United States, while not irreparably damaging China-North Korea relations. For its part, South Korea decided to pursue economic and cultural interests rather than political interests. China's comprehensive principles for dealing with the Korean peninsula are to avoid intervening in the domestic affairs of either Korea, and to advocate a peaceful coexistence between the two Koreas without playing an active role in the reconciliation or reunification process.

South Koreans have reacted both positively and negatively to China since normalization, and the mood swings continue. At the time of normalization, Koreans were euphoric to have gained such a powerful friend and to feel that the Cold War was

coming to an end. Many Koreans were eager to travel to China, the source of Korean art and culture. As the first wave of “China fever” swept over Korean society, younger Koreans began to question the need for U.S. forces stationed in their country. But after two years, the fever subsided as attention focused on North Korea’s developing nuclear program. China presumably pressed the North Koreans behind the scenes to implement their promise to sign the Nonproliferation Treaty, but the Chinese did not put heavy pressure on them, to the disappointment of the South Koreans. From this point, the South Koreans focused on their economic relationship with China, not expecting any change in the character of China’s international politics. When North Korea and the United States negotiated the 1994 Nuclear Agreed Framework to freeze the North’s nuclear program, both China and South Korea were kept in the dark about some of the details. To achieve greater transparency, Korean President Kim Young Sam proposed Four-Party Talks among China, the two Koreas, and the United States. This forum, designed primarily to discuss ways to achieve a formal peace ending the Korean War, provided China with a venue for keeping track of Korean events, but it also put China in the difficult position of having to mediate between the two Koreas. As it turned out, nothing much was accomplished in the short series of talks, which appear to have been abandoned. In the last several years, China and South Korea have gradually developed dialogue on non-economic issues, including military discussions.

3. South Korea-Japan

Korean sentiment toward Japan since the colonial period of 1910-1945 can be tracked by popular slogans. Koreans used the phrase *Hang-Il* during the colonial period, meaning “fight against Japan.” In the post-liberation era from 1945 to 1980, *Pan-Il* was the popular phrase, meaning “anti-Japan.” As Korea developed its economy and gained national confidence, the phrase changed to *Kuk-Il* [overcome Japan]. Japan experts in Korea then began to follow another slogan, *Ji-Il*, meaning “learn from and know Japan.” Thus, during the 1980s and 1990s Korea was simultaneously trying to “overcome Japan” and “know Japan.” The juxtaposition of these two slogans accurately reflects the ambivalent nature of Korean-Japanese relations.³⁰

Japan’s emotions and attitudes toward Koreans followed a somewhat similar path. During the colonial period, Japan treated Korea as a land of resources, instituting brutal rule to gain maximum economic support for Japanese economic growth. Koreans and

³⁰ Kongdan Oh, *Japan and South Korea: Current Political, Economic and Strategic Interdependence*, Japan Economic Institute Report, June 10, 1994.

other Asians were considered inferior beings. In the post-liberation period, Japan treated Korea as a poor, second-rate neighbor, and refused to apologize for Japan's colonial and war-time crimes against the Korean people. With Korean economic successes came Japanese recognition that the "poor Koreans" were becoming a threat to the Japanese economy; in fact, Koreans subsequently captured some major industries, such as ship-building, from the Japanese.

A minor Japanese movement to understand Korea better began in the 1980s, and a new rapprochement occurred in 1984 when Korean President Chun visited Japan for a summit meeting with Japanese leader Nakasone. The official normalization of relations in 1965 between the two countries had not created cordial bilateral feelings, but the "second normalization" not only brought Korea a badly needed loan, but also began to create a genuine sense of rapprochement. For Japanese, Korea's economic achievements made it a paradise for shopping; in fact, South Korea is the primary destination of Japanese tourists.

Economic, cultural, and academic exchanges between the two countries are robust. History, however, has remained a stone in the path of good relations. The history of Japanese-Korean relations is filled with aggression, hatred, and sorrow. Near the top of the list (for Koreans) is the memory of how Japan sent Koreans as "comfort women" to serve the Japanese troops, and how over a million Korean men were brought to Japan to work in the mines and factories. Korean women (and other Asians similarly forced into sexual slavery) are angry that the Japanese still refuse to acknowledge that their government was responsible for this practice.

This failure to fully acknowledge the sins of the past is also seen in the textbook controversy, which continues to be a volatile issue in 2001. Almost every spring for the past several decades the textbook exhibition in Japan has sparked some form of protest from Japan's former colonies. In the 2001 textbook exhibition and selection from mid-June to the end of August, a new history textbook was included in the annual exhibition, one that was compiled by the nationalist Japanese Society for History Textbook Reform (JSHTR), whose members include many prominent party politicians and well-known members of Japanese society, such as the former Prime Minister Ryutaro Hashimoto. According to its critics, JSHTR's history textbook made serious omissions and distortions in at least two dozen places. Many of these distortions might offend only the national

sensitivities of Chinese and Koreans, but the failure of the textbook to mention the “comfort women” issue has to be considered a serious omission.³¹

The Korean government made a formal request to Prime Minister Koizumi’s office that the textbook be amended. Koizumi’s office replied that the Japanese government did not have any influence on the JSHTR. When the Koreans investigated the list of members, they were shocked to see names like Hashimoto and other prominent LDP party members. This discovery was a confirmation of Koreans’ worst nightmare: that Japan is giving way to “right-wing nationalism.” This, at a time when Japan was being pushed by the United States to enhance its military capabilities. For Koreans and Chinese, this is not simply an emotional issue about a history textbook, it is a national security issue.

Japanese historians and textbook compilers continue to ignore and gloss over Japanese colonial and wartime crimes against their Asian neighbors, and they have so far rejected Korean and Chinese demands for a revision of the history textbook. For the first time, Koreans have decided to bring the issue to international attention, since bilateral discussions have failed to move the Japanese.³²

In 1998, President Kim Dae-jung and then Japanese Prime Minister Obuchi achieved one of the most genuine rapprochements when Kim visited Japan. Kim even met with the Japanese Emperor, who formally apologized for Japan’s role in the tragic past. But relations have gone downhill since then. In addition to the textbook issue, a Korean-Japanese fishing territory controversy has erupted, and talk of Japan’s revising its constitution also concerns many Koreans (and other Asians as well). The bilateral relationship has gone three steps forward and two steps back. Many Koreans and Japanese think that these days it may even be a case of two steps forward and three steps back. Under Koizumi’s conservative leadership, there is little reason to expect that Korean-Japan relations will markedly improve in the near future.³³ Since both countries are important U.S. allies, their mutual enmity is bad news for the United States.

³¹ *Joongang Daily*, July 10, 2001.

³² Brad Glosserman, “A Textbook lesson for Japan’s leaders,” *The Japan Times Online*, July 23, 2001, <http://www.japantimes.co.jp>.

³³ *Joongang Daily*, July 10, 2001.

B. Important Factors in Asia's Changing Security Dynamics

Northeast Asia in the post-Cold War era has been a dynamic region for all spheres of development, from economy to diplomacy. A full documentation of this rich and diverse development would go far beyond the bounds of this report. Among the many changes and developments, six are selected for brief examination. The selection is somewhat arbitrary, but the author believes that these six developments will play important roles in shaping the regional security environment in coming years.

1. China's Fourth Modernization

In 1993, the author traveled to China with a team of American researchers to study Chinese modernization. At the Chinese Academy of Social Sciences (CASS), a long and serious discussion was carried out with the Chinese.³⁴ A prominent Chinese scholar, who had just returned from the United States, summarized the four modernizations that China had undergone.

The first modernization was the May Fourth Movement, when Sun Yat Sen, the godfather of Chinese republicanism, inspired a revolt against dynastic feudalism. Sun's revolution succeeded, but Chinese republicanism failed under encroachment by the Western powers and Japan. The second modernization was Mao's revolution to convert China from a corrupt "republican" government to a Marxist-Leninist system with agrarian characteristics. Mao believed that China was too poor and too large to be a modern republic and that only a Communist revolution would eradicate past evils and create a new China. He created one of the most resilient Communist governments on earth, but the Communist party's policies did not produce wealth, although they did initially alleviate some of the poverty. As Mao turned into another dictator, China entered another dark age, stuck in its agrarian ways while the rest of the world was modernizing.

The third modernization was the Great Cultural Revolution, based on the premise that only when culture changes will people change. Or to put it more bluntly, people must be *forced* to abandon the old style of thinking. The Maoists destroyed Confucian shrines and national monuments in order to create a new Chinese culture untainted by China's long history. Mao and his followers perhaps believed in this revolution at the beginning, but the revolution of youth, know-nothings, and have-nots pushed China into the past and lead to a famine that may have killed as many as 30 million of their people.

³⁴ RAND research delegation roundtable discussion at CASS, Beijing, September 1993.

The fourth modernization began in the late 1970s under the pragmatist Deng Xiaoping, who believed that only economic modernization would make China a true world leader. Deng's philosophy was summed up in his famous words, "I don't care whether the cat is black or white, as long as it catches mice." Thus, China's true modernization began. The fourth modernization was a genuine economic modernization that Chinese scholars also dubbed the "brain modernization."

By Chinese standards it was a great revolution indeed. But since it was a gradual economic revolution unaccompanied by a change in China's dictatorial Communist politics, the Deng revolution was not fully appreciated in the West. Several Chinese participants in the CASS seminar said they had expected enthusiastic support from the United States for China's fourth modernization, because economic modernization enhanced China's contribution to global trade and commerce. Instead, the Chinese felt that the American response was skepticism and anxiety over a China that could become a competitor against the United States. As early as 1993, these scholars predicted that the two countries would find themselves on a collision course unless the United States recognized China's right to become an economic and military superpower.

Since 1978, China can be said to have embarked on another four-fold modernization campaign that embraces industry, agriculture, science and technology, and national defense. This last modernization is of particular relevance to the security situation in Northeast Asia. China does not hesitate to declare its intention to beef up its forces, weapon systems, and technology in order to achieve a balanced military capability that is consistent with the country's size and growing economic strength, and is as responsive to the multilateral challenges of the post-Cold War era as any nation's military organization. This intention has raised concern among many Western defense analysts.

China's view of its role in the future can be better understood if three assumptions are accepted. The first is that, from U.S. and NATO military operations in the post-Cold War China learned that only superior military power, preferably with high-tech weapons, could prevail. The second assumption is that China is aware that the United States wants to keep a continued military presence in East Asia. The third is that China recognizes that the U.S. missile defense system signals a new security paradigm, not only for the United States but also for the rest of the world. The Chinese believe that their armed forces must be ready to meet and match U.S. forces in Asia on the ground, near China's coastline, in the air, and if necessary, in space.

2. Chinese Nationalism

Mao's revolution is rightly interpreted as the victory of peasant nationalism over Chinese feudalism and Japanese imperialism. If China had not been invaded by the Japanese, perhaps Mao would not have been able to rally the peasants to defeat the ruling Kuomintang warlords lead by Chiang Kaishek. How does this heroic Chinese nationalism of the anti-Japanese struggle compare with Chinese nationalism today?

The Chinese leaders recognize that the ideological Communist revolution cannot carry China into the 21st century. Communism's day is past, and they must find a new way to keep the CCP in power. One alternative is to arouse nationalistic enthusiasm in place of revolutionary enthusiasm to create solidarity among the people, the party, and the government. This conservative brand of nationalism embraces several ideas. One is territorial integrity. The one-China goal serves both to regain China's territorial integrity and to rally the people. Hong Kong's reunification with China was the beginning of this one-China process, followed by Macao. Now, China wants Taiwan.

The domestic economic modernization and growth that China has pursued vigorously since Deng's 1978 cautious endorsement of capitalism with socialist characteristics has transformed Chinese society. A new, rich business class and widespread access to information technology seriously eroded the CCP's political authority. The party is no longer the center of Chinese society, even if no other organized political organizations are permitted to exist. The participatory democracy advocated by the younger generation and educated professionals was crushed, at least for the time being, at Tiananmen.³⁵ But rather than support the CCP, the people have turned away from politics and pursued their own economic interests, making the party largely irrelevant. Within this domestic social and economic framework, nationalism may serve as a binding glue for the nation if the leadership is able to mobilize this rousing sentiment against appropriate targets such as the United States, which made itself an easy target with the bombing of the Chinese Embassy in Belgrade and the collision of the spy plane with the Chinese fighter (regardless of whose fault it was).³⁶ But even while the Chinese people denounce the United States, they embrace American culture. Beijing's successful bid to win the 2008 summer Olympics has provided a positive boost to nationalist sentiment.

³⁵ Minxin Pei, "Will China Become Another Indonesia?" *Foreign Policy*, September 1999.

³⁶ James Miles, "Chinese Nationalism, US Policy and Asian Security," *Survival*, Vol. 42, No. 4, Winter 2000-01, pp. 51-71.

How the United States responds to China and its growth will be an important determinant of how Chinese nationalism develops. While many Chinese intellectuals do not accept the new conservative nationalism as the best means to further China's progress, the majority of Chinese react strongly and negatively to Western criticism of Chinese society, giving the oligarchs in the politburo fuel to fan the flames of nationalism and to keep themselves in power.

3. Aging U.S. Alliances

Since the Pacific War, the United States has found two of its most enduring alliance relationships in Japan and the ROK, alliances that have endured through good times and bad, to the benefit of all three countries. It can be argued that these alliances also served the best interests of other Northeast Asia countries by preserving regional peace and stability. Little has changed in their nature for half a century, and both alliances are showing signs of age. Part of the aging process can be attributed to a changing security environment; part can be traced to domestic changes in Japan and the ROK; and part can be attributed to the United States itself, which has resisted change in a changing world, believing that these alliances are the best means to achieve the security interests of the U.S. and its allies in the post-Cold War era just as in earlier times.

Specific changes that threaten to erode the alliances include (1) the end of the Soviet Union as a force for revolutionary communism; (2) the gradual transformation of China into a quasi-capitalist state with a large stake in the international economy; (3) relative regional peace and stability; (4) rapid social and economic development in Japan and the ROK over the last half century; and (5) U.S. insistence on maintaining an arbitrary number of soldiers in East Asia and a reluctance to close any of its remaining Asian bases. On this last point, and from a broader perspective, many Japanese and Koreans in the post-Pacific War and post-Korean War generations view American forces on foreign soil a violation of the normal international relationship between sovereign states. Political leaders in both countries may argue for the continued importance of the alliance, but public opinion is not always as appreciative.

a. U.S.-ROK Alliance

In a recent seminar, a retired former American Commander in Chief to Korea emphasized how successful the bilateral U.S.-ROK alliance has been. He said it is perhaps the best example of a successful alliance structure: close coordination, combined command, inter-operability, and overall friendship and consultation. In terms of

management and combined command, one cannot challenge his remarks. Most South Korean complaints are not about alliance management, but about social and political issues relating to Korean life and culture.

South Korea's most important national objective is to avoid war and institutionalize peace through reconciliation and cooperation with North Korea. President Kim Dae-jung's sunshine policy is one path to this goal. Although the North's Kim Jong Il government has shown only limited cooperation with the sunshine policy, in the absence of alternative approaches to reconciliation the South Korean public generally supports it. It is generally agreed that one of the next steps in inter-Korean engagement must be drafting and signing a peace treaty formally ending the Korean War between the two Koreas and between the United States (as the leader of the wartime U.N. coalition) and the DPRK. But the continued presence of U.S. forces in South Korea is considered by the North Koreans to be a serious barrier to peace. Thus, the U.S.-Korea alliance lies across the path of both Koreas' quest for a permanent peace, although it doesn't necessarily block that path.

The necessity of a continued U.S. force presence in the ROK, especially at its present level, is a matter of debate among South Koreans. Two incidents illustrate the nature of this debate. The first was the disclosure of a gap between ROK and U.S. perceptions of the threat posed by North Korean forces. In the Spring of 2001, U.S. Forces Commander in the ROK, General Thomas Schwartz, stated that North Korea's military readiness and deployment just north of the DMZ have markedly increased in recent years. He urged the allies to be prepared to respond vigorously to any North Korean aggression.³⁷ The ROK government, committed to the logic and success of the sunshine policy, initially ignored Schwartz's assessment, but after repeated inquiries from the press the government was forced to present its own view, namely that, although the Americans and Koreans have access to the same information about North Korean forces, their interpretation of the information does not always agree. This announcement left the public confused. An ROK newspaper editorial offered the opinion that the United States was exaggerating the North Korean military threat in order to gain support for its BMD program. This kind of opinion finds a ready audience among South Koreans.

The second incident was the announcement of the North Korea policy of the new Bush administration, made during the visit of ROK Foreign Minister Han Seung-soo to

³⁷ Statement of General Thomas A. Schwartz, Commander in Chief, United States Forces, Korea, to the Senate Armed Forces Committee, March 27, 2001.

Washington in June 2001. The major difference (on paper) between the Bush policy and the Clinton policy was Bush's inclusion of conventional force reduction as a major agenda item to be discussed between the United States and North Korea. The ROK response to this inclusion was negative. ROK leaders and the public alike voiced the opinion that conventional force reduction should be an issue for the two Koreas to negotiate, not the United States and North Korea. Adding the issue to the U.S. agenda was seen to raise two problems. First, the newly introduced agenda item encouraged the North Koreans to bypass the South Koreans on this important issue. Second, since the North Koreans insist on coupling the issue of conventional arms reductions with the issue of the total withdrawal of U.S. troops from South Korea, the new agenda issue looks like a deal breaker, guaranteed to cast a shadow over President Kim's efforts to engage North Korea.

During the inter-Korean summit meeting in June 2001, the issue of American troops in the South had been broached, and according to South Korean President Kim Dae Jung, his North Korean counterpart had agreed when President Kim suggested that U.S. forces stay in Korea, even after reconciliation, in order to provide stability to the region. Since there were apparently no witnesses to this conversation, the North Korean Kim's expressed and true opinions on this issue remain a matter of debate. It is anticipated that the issue will be revisited when Kim Jong Il makes a promised reciprocal visit to Seoul. But now that the force reduction issue has been added to the U.S. agenda, it can no longer be dealt with exclusively by the two Koreas. The South Koreans have found some hope in the outcome of a meeting ROK Defense Minister Kim Dong-sin had with U.S. Secretary of Defense Rumsfeld, who seemed to agree that South Korea could take priority in negotiating with North Korea on conventional force reduction.³⁸

If U.S. troops are to remain in the ROK, it will be necessary to address the question of their role. Do they primarily serve a tripwire function, to deter a North Korean attack across the DMZ and guarantee a massive U.S. response in the event of such an attack? In the post-Cold War and post-Korean summit environment, many South Koreans prefer to think of the troops as potential peace keepers and power balancers in the region. The North Koreans also have informally proposed that U.S. troops might stay in Korea if they acted in a purely neutral peacekeeping capacity. Such an assignment would necessitate a radical reworking of the U.S.-ROK alliance.

³⁸ Luncheon Speech by ROK Minister Kim Dong-sin, June 22, 2001, St. Regis Hotel, Washington, D.C.

Lastly, South Koreans are beginning to ask whether the alliance might involve them in regional conflicts sparked by the United States. For example, if the United States were to be involved in a conflict between Taiwan and China, what kind of role would the ROK be expected to play? Until recently, Koreans have been preoccupied with the North Korea threat, but as that threat seems to subside, some Korean strategic thinkers are looking at broader aspects of the alliance relationship, especially in light of a worsening U.S.-China relationship. For its part, the ROK endorses a one-China policy and has handled its relations with Taiwan and China in a very diplomatic and business-like manner. Koreans are well aware that they have little influence over U.S. foreign policy, including policy toward China. This perception has grown even stronger since George W. Bush took office. In consideration of the possibility of being unwittingly and unwillingly drawn into a regional conflict, some Koreans are wondering whether it would be better to distance themselves from the United States.

b. U.S.-Japan Alliance

The most obvious threat to the U.S.-Japan alliance comes from Okinawa, where U.S. soldiers first set foot on Japanese soil in the Second World War. Other U.S. bases dotting the main Japanese islands present their own problems, including noise and environmental pollution and labor disputes, but these bases are hidden from the eyes of most Japanese. They do not even appear on most Japanese maps, and local Japanese jurisdictions pretend not to recognize these bases in their domain. But the U.S. forces in Okinawa are not so easily ignored.

Okinawa is small compared to the four main Japanese islands to the north, yet approximately three-quarters of the Japanese land taken up by U.S. bases is on Okinawa, where the bases occupy about 11 percent of the total land area. About one-fifth of this American concentration is in the south-central part of the island, the center of Okinawa's economic, political and cultural life (even before the first bases were built). The closeness of these bases to residential areas (some of which have sprung up around the bases to serve the needs of the soldiers) is a constant source of problems, from the rare assault or rape to the more common disturbance of the peace and traffic violations. Crimes committed by the American soldiers, civilian employees, and dependents have long been a source of friction with the Okinawans since the United States carved out bases in 1952; the entire island was under U.S. jurisdiction until 1972. The Okinawans, always considered to be second-class citizens in the eyes of "real" Japanese, were saddled with the heavy responsibility of hosting the bulk of U.S. troops in Japan. Their protests were

virtually ignored, both by the Americans and by the Japanese central government, which used development funds and political persuasion to pacify them. Yet Okinawa remained one of the poorest prefectures in Japan.

Two incidents in the mid-1990s triggered more systematic and structured protests against the U.S. military presence on Okinawa. One was Assistant Secretary of Defense Joseph Nye's East Asian Strategy Report (EASI) of 1995 announcing that the United States had no plans to reduce the number of troops stationed in East Asia below the current 100,000 mark. The other was a particularly appalling assault incident that same year by three American servicemen, who abducted and raped a 12-year old schoolgirl. The rape incident convinced Governor Ota and the majority of Okinawans that the American troops would continue to pose a threat to citizens as long as they remained on the island. By the end of 1998, when the Japanese government had revised its defense guidelines, the United States agreed to move the Marine base in Futenma, in the central part of Okinawa, to Nago City in the north, away from heavy population concentrations.³⁹

Okinawa is not the only issue jeopardizing the aging relationship between these two allies; however, the management of Okinawan issues is likely to be a bellwether for the alliance. If Northeast Asia remains at peace and Japan continues to improve its defense capabilities, the burden will be on the United States to demonstrate why American troops need to remain in Japan.⁴⁰

4. Inter-Korean Relations

President Kim Dae-jung, who took office in early 1998, and his top advisor, Lim Dong-won, decided to initiate a new policy toward North Korea. To replace a half-century-long zero-sum game of political legitimacy and military confrontation, they decided to try a policy of engagement with the goal of achieving reconciliation and cooperation between the two Koreas, with reunification put off for a decade or two. The climax of this policy was the June 2000 summit meeting between President Kim and Chairman Kim Jong-Il. At the conclusion of the meetings, the two Kims signed a Joint Declaration that set out several mutual tasks to guide the two Koreas toward reunification.

³⁹ The most comprehensive book on Okinawa issues is *Okinawa: Cold War Island*, Chalmers Johnson ed., (Cardiff, California: Japan Policy Research Institute, 1999), pp. 1-310.

⁴⁰ An excellent and succinct summary of the current alliance debates can be found in Mike Mochizuki, "The U.S.-Japan Alliance: Beyond the Guidelines," *PacNet* 35, September 1, 2000.

In theory, the zero-sum game era was gone. For several months after the summit the two Koreas engaged in a variety of activities and exchanges, including visits of divided families, meetings of the two militaries, and discussions on economic exchanges. Hopes and expectations for a new era in Korean relations were high. President Kim's popularity soared, and he was awarded the Nobel Peace Prize. In South Korea, Chairman Kim's reputation as an intelligent, reasonable leader soared as well. The North Korean threat seemed to dissipate. Most younger-generation Koreans confessed that they would be happy to meet Kim Jong-Il, and from newspaper and television stories, judged him to be charming and charismatic. The summit seemed to have signaled a turning point in inter-Korean relations.

Chairman Kim had reluctantly promised to pay a visit to Seoul "at an appropriate time," assumed to be in a matter of months. South Korean economic aid continued to pour into the North. But about four months after the summit, North Korea seemed to lose enthusiasm for reconciliation. Scheduled meetings were postponed or cancelled. Contacts between separated families were restricted. A few months later, North Korea stopped attending all meetings and cut off dialogue with the South Korean government. North Korean commercial ships and fishing boats intruded into South Korean waters. The South Korean public turned against President Kim for putting too much faith in his sunshine policy and giving too much to North Korea without getting anything in return. To make matters worse, the new Bush administration avoided dialogue with North Korea until a new Korean policy could be developed. Kim Jong Il visited China and he visited Moscow, but he failed to pay a visit to Seoul, despite the pleas of President Kim.

Two steps forward and one step back is great progress for inter-Korean relations, which usually has had to make do with one step forward and one step back. But despite the disappointments, the summit did change the situation on the peninsula. One notable change is that South Koreans are more relaxed about the North, even if disappointed with it. North Korea and its leader are no longer complete mysteries. As Chairman Kim said to a visiting South Korean delegation, "You see I have no horns." South Korean military responses to North Korean boat intrusions indicate that the ROK military, under prodding from the President's office, is more relaxed toward North Korea as well. Few South Koreans believe that there will be another Korean War.⁴¹

⁴¹ Kongdan Oh, "North Korea's Engagement: Implications for South Korea," A chapter in *North Korea's Engagement: Perspectives, Outlook, and Implications* (Washington, DC: National Intelligence Council and Library of Congress, CR 2001-01, May 2001), pp. 59-72.

A second legacy of the summit is that Koreans in the south have come to believe that North Korea's major concerns are not military in nature but economic and political, and that only reconciliation can solve the "North Korean problem." At the same time, most South Koreans doubt that North Korea will change easily or quickly. They are resigned to taking a long-term view of reconciliation and reunification. There will be no replay of the fall of the Berlin Wall. But barring an almost unimaginable North Korean reversion to aggression, the atmosphere on the Korean peninsula has changed in the space of one year.

5. Japan's Bid to Be a Normal State

In his first major speech delivered in July, 2001, the newly appointed U.S. Ambassador to Japan, Howard Baker, said he would like to see Japan's "peace constitution" amended so Japan could become an integral part of the U.S.-led collective security community.⁴² Baker's statement added more fuel to the ongoing debate among Japanese policy-makers and opinion leaders on the advisability of changing the constitution. Most foreign scholars who have studied Japanese society and politics agree that Japan needs to reexamine its stance toward other Asian countries and should do something about its problematic constitution that forbids Japan to mount a full-blown defense. Even before Ambassador Baker's speech, Japanese constitutional scholars and professionals had been engaged in debate on Article 9, the peace article. The most notable debate forum has been the conservative *Yomiuri* newspaper. Some 40 well-known figures from diverse backgrounds have published their opinion on this issue, with the consensus favoring a constitutional amendment to enable Japan to become a more "normal" state, in terms of military security.

The emergence of right-wing nationalism in Japan in the wake of a weakened economy and global stature, however, is a worrisome development. Prime Minister Koizumi is considered to be something of a nationalist, and he has boldly announced his intention to pay homage at the Yasukuni Shrine, where Japanese war-dead, including several military leaders convicted of war crimes, are memorialized. Unlike previous high government officials, including one prime minister, who made the visit without fanfare, Koizumi declared that he would visit regularly to demonstrate his respect for the fallen soldiers.

⁴² *Washington Post*, July 18, 2001.

Japan's road to becoming a normal state will be difficult. A normal state has military power consistent with its economic power; it also has the potential to use that power to oppress others. Since Japan has already demonstrated the second use of its military power, and in the eyes of fellow Asians has never adequately acknowledged its wartime crimes, Japan will not be easily trusted by its neighbors if it tries to increase its military power. This legitimacy deficit is the biggest structural problem for the country.

A remilitarizing Japan may well push the two Koreas closer to China. Since the United States has allied itself with Japan, the consequence could be a weakening of U.S. ties with the ROK. Japan's desire to become a normal state and Asian's suspicion of Japan must be evaluated carefully by U.S. strategists. Pushing Japan to play a more active military role in coordination with the United States may ultimately weaken both countries.

6. U.S. Missile Defense

Washington's decision to pursue missile defense as the centerpiece of a strategic shift from deterrence to defense is being evaluated by all the other major powers in regard to its implications for their security posture. The logic of the "defenders" position is clear: if a nearly airtight defense can be achieved, the uncertainties of deterrence will largely be removed.⁴³ The 1972 ABM treaty is an incidental casualty to this strategic shift, for its provisions supported the strategy of deterrence. International Realpolitik was always an every-nation-for-itself game, but now the game has changed, and each state must prepare to play the new game with new pieces.

Studies of Asian reactions to U.S. missile defense offer a mixed picture.⁴⁴ Russia, China, and the DPRK are the most vocal critics of BMD, while Japan and to a lesser extent Taiwan recognize the value of BMD for their own protection from Chinese and North Korean missiles. The ROK remains skeptical both as to the efficacy of any missile defense system for its own protection, and in regard to the damage that joining a U.S.-led missile defense system would do to its relations with China and the DPRK.⁴⁵ The Asian

⁴³ John Cappello, Gwendolyn M. Hall, Stephen P. Lambert, "Triad 2025: The Evolution of a New Strategic Force Posture," in James M. Smith ed., *Nuclear Deterrence and Defense: Strategic Considerations*, INSS Book Series, February 2001 (Colorado: USAF Institute for National Security Studies), pp.25-39.

⁴⁴ Three outstanding works on this topic: Michael J. Green and T. Dalton, *Asian Reactions to U.S. Missile Defense*, NBR Analysis, Vol. 11, No. 3 (Seattle: The National Bureau of Asian Research, 2000); Michael J. Finnegan, "Implications of Ballistic Missile Defense for the Security and Stability of Northeast Asia," in Smith; and Masako Ikegami-Andersson, "Impact of Theater Missile Defense in East Asia," A paper presented at the Pugwash workshop on missile defense, Paris, April 6, 2001.

⁴⁵ Yun Duk-min, "MD—Not a Fire Cross the River!" (in Korean), *Joongang Daily*, July 17, 2001.

reaction to missile defense needs to be further analyzed and monitored as it develops, focusing on specific questions about how each Asian nation might respond, and also on the logic of the new defensive strategy.

One important question is whether missile defense will trigger an arms race in Asia. China will doubtless modernize its nuclear and missile capabilities in any case, but the extent of proliferation may be greater if other states deploy stronger missile defenses. Russia may well choose to reverse its post-Cold War missile and nuclear reduction strategy. North Korea strongly opposes missile defense, but seems willing to enter into negotiations with the United States about freezing its own long-range missile program for the sake of sufficient remuneration (reportedly to the tune of \$1 billion a year). In the face of proliferation in China and the DPRK, Japan will have to decide whether to place its trust in missile defense, which is ill-suited to the protection of the Japanese islands unless highly effective; do the unthinkable and develop nuclear weapons for deterrence; or adopt some other defensive alternative.

The ROK, which has sheltered under the U.S. nuclear umbrella, must decide what to do when that umbrella is being partially closed in favor of a missile defense raincoat. Taiwan, which may or may not have been protected by that umbrella, must be prepared to cope with an increase in Chinese missiles either by deploying a very uncertain missile shield, developing its own nuclear deterrent, or adopting some other strategy. Human history has witnessed many cycles of offensive arms buildup and defensive responses. There is no reason to believe that the pattern will not continue.

A major difference between American and foreign perceptions of missile defense is that most foreigners see the United States as a sometimes aggressive power. This kind of divergence in perceptions is and always has been found in international relations (and personal relations). Given that the United States is perceived as a potential aggressor, any new weapons system is assumed to have aggressive potential. Suspicion about U.S. intentions is heightened by the fact that rogue states, the putative threats against which missile defense is to be erected, need not rely on missiles to threaten the United States. This makes missile defense look less like a defensive measure and more like an irrelevant gesture or an offensive threat (given that some of the technology that goes into missile defense can presumably be used to build offensive weapons).

Skeptical responses such as these are frequently voiced by Asian critics of the new U.S. strategy. No Asian state, including the DPRK, considers itself to be an aggressor or a rogue state. Economic development is the number one priority throughout

Asia. Global issues of concern include fighting poverty, disease, environmental degradation, and the abuse of human rights. It has been pointed out that none of these problems will be solved by the billions of dollars the United States proposes to spend on missile defense. From the point of view of other nations, especially poorer nations, missile defense is the height of selfishness and hypocrisy.

The U.S. missile defense strategy is a great disappointment to the East Asian states who had envisioned a peace dividend to spend as the region continued to distance itself from the Cold War. Although most members of the NPT have been disappointed with the slowness of the United States and Russia in reducing their nuclear arsenals, the trend was in the right direction. The implications of a multipolar world of the future have not been worked out, but the new U.S. policy is widely seen as a bid to keep the United States as the only superpower far into the future. Very few states in Asia, or elsewhere, are happy with that future vision.

Such doubts are widespread in Asia. They need to be addressed by Americans. Missile defense has to be seen not just as a difficult technical military task but as a prodigious political and diplomatic task. Otherwise, missile defense will create a less secure rather than a more secure world for the United States. Security, rather than missile defense, must be the American priority. Intensive investigation into Asian responses to this new U.S. strategy needs to precede or at least accompany its implementation.

IV. CONCLUSIONS

This paper has explored the perceptions and relationships of six Northeast Asian states on the assumption that U.S. policy-makers are more familiar with policies and conditions in each of these countries than they are of the relationships between them. A general finding is that interstate relations are improving. It has been argued that these perceptions and relationships will affect—in fact are already affecting—the relationship these countries have with the United States. To adapt an old aphorism: out of sight, out of mind, out of planning. If U.S. policy-makers do not keep in touch with what is happening between East Asian states, they will not be able to draw up workable plans for dealing with the region in the future.

It is hard to ignore the magnetic influence of China. A China that has become less Communist and more market-oriented will become an even stronger magnet to its neighbors. Will these smaller states simply build a closer relationship to China alongside their relationship to the United States, or will there be a compensatory effect such that China begins to displace the United States as the major power in the region? In the latter case, the “Baker fan” strategy by which the United States influences events in Asia by way of its various regional allies may no longer work.

As the world’s only remaining superpower, the United States hopes—indeed often expects—to be accommodated by other states. But to apply a few more aphorisms, all politics is local, and where you stand depends on where you sit. A rising China will have to be accommodated by its close neighbors to some degree, and a time may come when the United States must compete with China for the attentions and loyalties of its East Asian allies.

If the United States desires to continue guiding its allies and the East Asian community in efforts to enhance security and stability in the post-Cold War era, and if the United States seeks partners to implement its security strategies, then it must tailor its approaches to account for the interests and perspectives of the regional states, especially America’s allies. Or to look at the issue in terms of communication theory, we must try to formulate and present our policies in such a way that they do not fall outside the “latitude of acceptance” of the states that we desire to influence.

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