

Overview

East Asia in 2000

1. Fresh Expectations and Apprehensions at the Turn of the Century

The curtain fell on the 20th century, “a century of war and revolution.” However, the arrival of a new century does not necessarily mean that there will be a drastic change in the strategic environment surrounding us. In human society, expectations for good things in, and apprehensions about, the future are always mingled. Especially for the countries in East Asia, the year 2000 was one marked by a mixture of such expectations and apprehensions.

After a 50-year-long deep antagonism with one another, a glimmer of hope for reconciliation between the two Koreas has finally emerged in the last year of the 20th century. The heads of the two Koreas met in June 2000 for the first time, and after the meeting, they issued a joint declaration committing them to peaceful coexistence. Of all areas in East Asia after the Cold War, the Korean Peninsula had been threatened most with an armed conflict. Before and after the summit, North Korea, a country that had been tightly closed to the outside world, has been actively pursuing a foreign policy in search of normalization of diplomatic relations with other countries.

However, one should not entertain too optimistic a hope that the long-standing confrontational relations between the two Koreas will change into peaceful and stable ones in a short period. The pursuit of an open-door policy by North Korea is no doubt essential for building a lasting peace in the Korean Peninsula. But a sudden opening of the country to the outside world could at the same time threaten the survival of the existing regime, because the entry of North Korea into the international community would expose the country to the logic of market economy and democratization. Kim Jong-Il is thus faced with a hard decision over what to do to strike a balance between changes attendant upon opening the country and maintaining his rule over it. The thought control maintained, and the large-scale military maneuvers carried out, by his regime

in North Korea may have something to do with such a situation. Thus the outlook in the Korean Peninsula remains murky.

Although the economic picture of East Asian countries is mixed, many of them have achieved rapid growth continuously from the year before. When a financial crisis swept through these countries in 1997, many feared that it might have a devastating impact on the region's security and domestic order of these countries. However, it may now be safely said that they have overcome the crisis. Economic growth and improvement in living standards of the people of these countries are closely linked to their political stability. And the recovery of the region's economies spells a bright outlook for this region.

China has achieved 6 percent-plus economic growth and has shown a bright economic outlook. On the international front, it has manifested its intention to actively participate in the world market with an eye to joining the World Trade Organization (WTO), and its relations with the United States have improved through increased trade and investment. When a U.S. aircraft operating under the command of the North Atlantic Treaty Organization (NATO) accidentally bombed the Chinese Embassy in Yugoslavia in 1999, some feared that China might review its cooperative foreign policy. Now, however, China is expected to continuously pursue its economic reforms and market-opening policy, and seek to stabilize the international environment. Meanwhile, China has a number of problems to address. Corruption among executives of the Communist Party of China (CPC) that has been bred by the prolonged one-party rule has become structural, fomenting discontent among its people. The three-year state enterprise reform program has achieved its goal, but restructuring has thrown a large number of people out of work. Membership in the WTO would entail further reform of state-run enterprises, and the unemployment problem would become increasingly grave. And the question of Taiwan is not just an internal affair but is becoming an increasingly contentious issue between the United States and China with no clue to

a solution in sight. Whether China will grow into a cooperative and responsible major power in this region remains to be seen.

What concerns the international community about the security of the region is the confusion lingering in Indonesia, which received the severest blow from the financial crisis in 1997. In 2000, also, Indonesia had to contend with a number of extremely difficult situations: It had devoted serious efforts to the development for democratization while stabilizing the livelihood of its people through faster economic growth, and defusing crises precipitated by the separatist movements in many parts of the country. Blessed with a large population and rich natural resources, Indonesia is a key country in Southeast Asia and occupies a strategically important position in the region. Thus political stability in Indonesia is crucial not only to the security of Southeast Asia but to that of East Asia as a whole.

On the other hand, the information technology (IT) revolution is expected to bring about a profound change in the world in the 21st century. The IT revolution has the potential to profoundly change not only our living environment but the mode of combat. Thanks to the IT revolution, the rapid transmission of a massive amount of information is made possible. By introducing various sensors and guided weapons, an efficient employment of military strength can be realized, and military casualties can be minimized. The applicability of IT to military operations was dramatized in 1999 by the bombing of Yugoslavia by the U.S.-led NATO forces. By actively introducing the fruit of IT, the United States is promoting a revolution in military affairs (RMA).

Meanwhile, as the use of the Internet spreads rapidly, the possibility of a cyber attack — crippling the central government functions of a country and the chain of its military command — may become a real threat. Some predict that the RMA will change the necessity of U.S. forward deployment and affect the status of its military presence in East Asia. However, about 100,000 military personnel deployed in the Asian-Pacific region have symbolic implica-

tions showing the commitment of the United States to the peace of this region. This is why the military posture of the forward-deployed U.S. forces should be carefully reviewed from various perspectives.

2. East Asian Countries under Pressure to Deal with Domestic Problems

For East Asia, 2000 was militarily a quiet year not seen in recent years. Few military conflicts broke out in 2000 though countries near the Spratly Islands have continued to make attempts to strengthen their effective control over the South China Sea islands. The successful contender in a Taiwanese presidential election held in March was Chen Shui-bian, former mayor of Taipei, whom China had been keeping a close watch on as the leader of a pro-independence faction. But there was no repetition of the Taiwan Straits crisis that had erupted during the previous presidential election in 1996. On the Korean Peninsula, North Korea, which held a summit with South Korea in June 2000 for the first time in its history, refrained from taking provocative military action that it had on repeated occasions in the past against South Korea and continued its freeze on ballistic missile launch tests.

It may be pointed out that one of the reasons why the situation in this region has remained relatively calm is that countries in the region were under pressure to address domestic problems and carry out necessary reforms. North Korea opted to make up for the impoverished condition of its economy by opening at least part of its market to foreign commerce and investment. And it was the food and fuel aid it received from international agencies and foreign countries that pulled it from the brink of economic collapse. Large-scale economic aid from the international community is essential for North Korea's real economic recovery. To do this, it is necessary for North Korea to cooperate with the international community. It appears that North Korea is changing its policy from one

aimed at extracting economic aid from other countries by brandishing its military capability (development and export of missiles) to a conciliatory one (coexistence with South Korea and participation in the international community). The force that persuaded North Korea to change its policy is not just such economic factors but the concurrence of developments: Kim Jong-Il has become confident of consolidating his regime; South Korea proclaimed an engagement policy called the "Sunshine Policy"; and Japan, the United States and South Korea presented a united front against North Korea through policy coordination. However, certain domestic reforms must be carried out to reconstruct its economy, and such reforms could shake the Kim Jong-Il regime to its foundations in the long run.

For China, the year 2000 was one in which its government was pressed with the work of domestic reforms. By dint of the development of national power it has achieved through the economic reforms and open-market policy it had pursued for more than 20 years, China has gained political and economic clout in East Asia. However, with a change of leadership to a younger generation looming just around the corner, China faces a number of political, economic and social problems. China's economy is on the recovery track from the damage it sustained from the Asian financial crisis. But its growing shift to market economy has thrown many people out of work at state enterprises, which have been forced to restructure themselves, and has widened the income gap among its people. The wealth gap among different regions has also widened. These gaps have bred discontent with the CPC and the government among the people, and such widespread discontent could destabilize society. As a result, the CPC and the government are hard pressed to narrow these income and wealth gaps while continuously pursuing the economic reforms and open-market policy. What is more, corruption among executives of the CPC is becoming increasingly rampant, so much so that the legitimacy of the CPC rule could be seriously challenged. The resistance movement launched

by Falun Gong, which the CPC outlawed as a perverse religion, could undermine its authority. Faced with such a situation, the CPC has tightened thought control of its executives in an effort to regain its authority.

In Russia, confusion is persisting largely due to malfunctions of new systems introduced as vehicles for democratization and promotion of market economy. The government of President Vladimir Putin set forth a new reform program and has since come to grips with the task of rebuilding a "strong Russia." Meanwhile, South Korea and many of the ASEAN countries are in the process of overcoming the financial crisis and have to carry out a great deal of domestic reforms. Japan is yet to overcome the aftereffects of the collapse of the bubble economy and has to contend with structural reforms, with the result that economic recovery is slow in coming. And recovery of its economy has a strong bearing on the revitalization of East Asian economies.

3. Efforts for Stabilization: Intraregional Cooperation and Relations among Major Powers

The framework of multilateral cooperation among East Asian countries had failed to function in dealing with the financial crisis of 1997 and the East Timor issue. And many of the countries were pressed with the work of carrying out domestic reforms to overcome the crisis. As a result, their interest in the region's multinational cooperation that had at last begun to take shape has dwindled to some extent. And owing to the strong opposition of certain countries that advocated adherence to the principle of non-interference with the internal affairs of other countries, the ASEAN Regional Forum (ARF) has been unable to evolve from a forum for confidence building to the one for preventive diplomacy. And it is feared that the activities of the ARF may be paralyzed. Meanwhile,

countries in this region have come to share the awareness of the importance of intraregional cooperation and economic development for the stability of this region. And this has led to a movement aimed at strengthening the economic relations among the so-called "ASEAN+3" — the 10 ASEAN countries plus Japan, China and South Korea.

Together with economic development of the countries of this region, good relations among Japan, the United States, China and Russia are indispensable to the stability of East Asia. In 1999, China and Russian strongly opposed the military intervention in the Kosovo conflict by NATO and the national missile defense (NMD) program of the United States. As a result, the two countries appeared to have strengthened their ties, raising concern about the possibility of deepening U.S.-Russia and U.S.-China confrontation. As the months wore on into 2000, the relations among major powers have turned for the better. This is because while there are differences among them, they took the view that a worsening of their relations is not in their best interest.

Particularly, tensions between the United States and China increased when a U.S. plane operating under the command of NATO accidentally bombed the Chinese Embassy in Belgrade in 1999, but their relations were mended in the course of 2000. Bilateral talks between the United States and China about the latter's entry into the WTO, an important agenda for China, had produced an agreement in November 1999. In 2000, the U.S. Congress passed a Permanent Normal Trade Relations (PNTR) bill that gave China most-favored nation (MFN) status, and China welcomed the passage of the law. Until then, whenever the MFN status of China came up for renewal in Congress, there was a heated debate over human rights violations in China creating in effect bad blood between the two countries. Over the result of a presidential election in Taiwan in March, many had feared that the likes of the Taiwan Straits crisis four years ago might be repeated. However, as new

President Chen Shui-bian showed self-restraint on the question of independence of Taiwan, serious tension in relations between the United States and China was averted.

In reaction to U.S. policies, Russia sought to strengthen its partnership with China toward the end of the Yeltsin administration. After President Vladimir Putin took office, however, Russia is seen trying to mend its relations with European countries and the United States, relations that had been strained over the Kosovo conflict and Russian military operations in Chechnya. The country now pursues a pragmatic foreign policy with a view to attracting foreign aid to finance the reconstruction of its domestic economy. Russia has changed the course of its relations with China with a focus on strengthening economic relations. Russia teamed up with China to oppose an amendment to the Treaty on the Limitation of Anti-Ballistic Missile Systems (the ABM Treaty), but Russia has subsequently taken a stance receptive to negotiations with the United States. Differences remain between the United States, on the one hand, and China and Russia, on the other, over the question of world order — as to whether the United States should be allowed to gain ascendancy over the world or the establishment of a multipolar world order should be encouraged. However, Russia and China attach importance to economic cooperation with the United States, at least for the time being. In practice, therefore, these two countries are not likely to jointly confront the United States.

Japan and Russia failed to live up to their Krasnoyarsk accord committing them to conclude a peace treaty between them by the end of 2000. The failure brought home to the Japanese people the difficulty of settling the territorial dispute with Russia. Even after President Putin has taken the reins of government, Russia has demonstrated its traditional Europe-first preference except for China.

Even into 2000, marine research vessels of China continued to operate in Japan's exclusive economic zone (EEZ) in the East China Sea. As they were the year before, combatant ships of the

Chinese Navy were spotted in Japan's EEZ. In May, an intelligence gathering vessel of the Chinese Navy sailed north to the Sea of Japan. After passing through the Tsugaru Straits, it turned south and sailed along the Pacific coast of Japan and has thus circled almost all of the territory of Japan. Japan has been actively exchanging defense officials and holding security dialogue with China. But the activities of Chinese vessels in the neighboring waters of Japan — so blatant were their activities, in fact, they attracted the attention of the mass media in Japan — have aroused mistrust of China among the Japanese people.

In 2000, no serious military incident has occurred in East Asia, and the tensions between the United States, on the one hand, and China and Russia, on the other, have eased. However, except the new movements emerging on the Korean Peninsula, no positive initiative to build harmonious relations was undertaken in this region. In this sense, it may be said from the standpoint of regional security that a temporary lull settled on East Asia in 2000.

A continuation of the U.S. military presence is important for the stability of the region. But there is a worry that the confusion the United States had undergone over the latest presidential election may affect the U.S. politics in the future. It is said that the new U.S. president will be aided by a number of advisers who are well versed in the East Asian situation. East Asian countries pay keen attention to how the U.S. policies toward East Asia will be pursued under President Bush, who is expected to have difficulties in carrying them out given the thin margin by which he won the presidency.

We are thus to enter upon a new century with a mixture of hopes for, and apprehensions about, the security of East Asia. Thanks to the rising level of mutual economic dependence, the feeling of regional integrity is spreading among the countries of the region. To strengthen such feeling and share economic prosperity with one another, it is essential to stabilize the situation in this region. To accomplish this, political and security cooperation among the coun-

tries will take on an increasing importance. And the countries in East Asia must, with an eye on building peace on the Korean Peninsula, devote earnest efforts to making this century a century of peace through cooperation.