

Overview

East Asia in 2005

1. Destabilizing Factors in East Asia

The first-ever East Asia Summit was held in Kuala Lumpur, Malaysia, in December 2005. It has generally been thought that integrating East Asia in the manner of the European Union (EU) would be difficult given ethnic and religious differences in the region and its divergent stages of economic development. However, the holding of the summit marked a significant step in the direction of establishing a region-wide community of East Asia. It is also true that while cooperation toward regional integration is gathering momentum, some destabilizing factors still exist. North Korea had refused to participate in the Six-party Talks on its nuclear program since June 2004, accusing the Bush administration of continuing its hostile policy toward Pyongyang. Subsequently, in a statement issued by its Foreign Ministry in February 2005, North Korea declared that it possessed nuclear weapons and would indefinitely suspend its participation in the Six-party Talks. In May the same year, North Korea announced that it had completed extracting about 8,000 spent nuclear fuel rods from its experimental graphite-moderator reactor in Yongbyon. However, thanks in part to the diplomatic efforts of the United States, the fourth round of the Six-party Talks was resumed in July 2005, which resulted in the Joint Statement of the Fourth Round of the Six-party Talks issued in September in which all the participants agreed to set denuclearization of the Korean Peninsula as the final goal. In the joint statement, Japan and the United States promised that they would take measures necessary for normalizing their diplomatic relations with North Korea. In order to achieve the diplomatic normalization, however, it is necessary for Pyongyang to settle not just the problem of nuclear weapons but also those of ballistic missiles and other weapons of mass destruction (WMD) including chemical and biological weapons. North Korea announced in February 2005 that it possessed nuclear weapons, and it is believed that North Korea already possesses WMD such as chemical and biological weapons or has the capacity to produce them. North Korea is also developing missiles to carry these weapons, and is now in the process of developing Taepo Dong-2, a ballistic missile that has a range of 3,500–6,000 kilometers, to join its No Dong and Taepo Dong-1 missiles. North Korea's WMD and ballistic missiles pose a grave threat to East Asia.

North Korea's greatest concerns are to maintain the present regime and rehabilitate the country's stagnant economy. To this end, the normalization of diplomatic relations with Japan and the United States is essential. For their part,

Japan and the United States take the position that normalizing diplomatic relations with North Korea is conditional upon resolving wide-ranging security issues involving not only nuclear weapons but also the abduction of Japanese nationals as well as the matter of other WMD. This presents some tough choices for North Korea, which seems intent on realizing the normalization of its diplomatic relations with Japan and the United States merely by abandoning its nuclear development program. In fact, North Korea clearly stated after the fourth round of the Six-party Talks that it would abandon the program when its diplomatic relations with the United States have been normalized.

China's strategy in East Asia is not entirely clear. China has been actively pursuing "neighboring diplomacy" aimed at cultivating cooperative relations with neighboring countries and regions. China is trying to play a strong leadership role in forming an East Asian Community. China is pushing for the creation of a free-trade area with Association of Southeast Asian Nations (ASEAN) and is actively carrying on diplomacy to build a framework of strategic dialogue with major countries and regions. China thus has to cultivate a cooperative relationship with Japan in order to pursue productive neighboring diplomacy. However, since the anti-Japanese demonstrations staged in China in April 2005, China's policy toward Japan has become increasingly stalemated. Although the Hu Jintao administration has adopted a policy of valuing relations with Japan, it cannot ignore the anti-Japanese sentiment prevailing among the Chinese public—with the result that Hu's government has difficulty in giving shape to its Japan policy.

Regarding Taiwan, China has been bringing various forms of pressure to bear on the Chen Shui-bian administration, which has been showing a growing inclination to lead Taiwan toward independence. In March 2005, the National People's Congress (NPC) of China adopted the Anti-Secession Law by a near unanimous vote. This is a policy China has wheeled out as part of "the struggle against 'the Taiwan independence' secessionist forces and their activities," and is aimed at restraining the separatist ambitions of former President Lee Teng-hui and President Chen Shui-bian whom Beijing regards as leaders of the pro-independence faction in Taiwan. The Anti-Secession Law explicitly provides for "non-peaceful means and other necessary measures" that represent the use of force against Taiwan. While Beijing defines the Taiwan issue as a domestic affair of China, it is stepping up diplomatic pressure on the Chen Shui-bian administration by urging the international community, particularly Japan and the United States,

to oppose Taiwanese independence. Although Beijing seeks to unify Taiwan with mainland China by peaceful means, it continues to modernize its nuclear and missile capabilities and its naval and air forces to enable it to prevent Taiwan from becoming independent, and the People's Liberation Army (PLA) has been conducting various exercises with this aim.

For instance, China has acquired Sukhoi fighters from Russia to secure command of the air over the Taiwan Strait. At the same time, China has increased the number of short-range ballistic missiles (SRBMs) deployed in the coastal area bordering on the Taiwan Strait and is modernizing its cruise missiles. Since 1996, the PLA has repeatedly carried out military exercises with an invasion of Taiwan in mind. In addition, China and Russia conducted, on August 18–25, 2005, their first-ever large-scale bilateral military exercise dubbed “Peace Mission 2005” in an area surrounding the Shandong Peninsula in which 1,800 Russian troops and 7,000 Chinese troops participated. The two countries explained that their exercise was aimed at strengthening mutual confidence and military cooperation and improving the capability of their troops for coping with international terrorism, separatist movements, and extremism, and did not target any specific third countries. However, given the fact that the bilateral military exercise included landing operations and a sea blockade, the exercise was widely regarded as aiming at Taiwan. As the modernization of China's armed forces has been making headway, the military balance between China and Taiwan has begun tipping in China's favor.

Along with the improvement in its military capability necessary to unify Taiwan with itself, China continues its efforts to develop nuclear capability and ballistic missiles. China is pressing ahead with research on the development of technologies for building missiles with multiple warheads and submarine-launched ballistic missiles (SLBMs) to counter the missile-defense capability of the United States. In June 2005, China test-launched an SLBM, which, Western observers believe, is Ju Lang-2, an improved version of Dong Feng-31, China's intercontinental ballistic missile (ICBM). As it has an estimated range of 8,000 kilometers, a Ju Lang-2 launched from Chinese waters would reach a target on the mainland United States. The unforeseeable relations between China and Taiwan and an increase in China's military muscle can be seen as major destabilizing factors in East Asia.

In addition to these security issues, there exist a number of non-traditional

threats in Southeast Asia such as terrorist activities, separatist and independence movements, and rampant maritime piracy in areas surrounding the Malacca Strait. Nanggroe Aceh Darussalam Province (Aceh Province), Indonesia, was hit the hardest by the devastating Sumatra earthquake and the Indian Ocean tsunami, and the separatist Free Aceh Movement (GAM), which had carried on a struggle for independence for about 30 years, signed a peace accord with the Indonesian government. Whether peace will take hold or not in coming years remains to be seen, but the fact that the separatist independence movement has tentatively come to an end is worthy of note. However, a further terrorist bombing in Bali, Indonesia, in October 2005 heightened the sense of vigilance against the terrorist activities of Jemaah Islamiyah (JI). In Thailand, disturbances incited by Islamic extremists have continued in the southern provinces since the beginning of 2004 and showed no sign of abating in 2005—suggesting that the separatist and independence movements led by terrorists and Islamic extremists continue to pose serious threats to the security of East Asian countries. Furthermore, the challenges posed by the spread of infectious diseases such as avian influenza as well as natural disasters have become a grave concern in Southeast Asia.

2. East Asia Policy of the United States

China's modernization of its military, the Taiwan issue, and North Korea's nuclear development program are also major concerns of the United States. North Korea has been trying to restrain the United States by officially admitting to having nuclear weapons and by announcing indefinite suspension of its participation in the Six-party Talks. In testimony given at a hearing of the Senate Committee on Armed Services held on April 28, 2005, Vice Adm. Lowell Jacoby, then director of the Defense Intelligence Agency (DIA), acknowledged that North Korea had "a theoretical capability" of attacking the United States with an ICBM carrying a nuclear warhead. To counter such a move, it was reported that the United States at the end of May deployed 15 F-117 stealth fighters to South Korea to enable US forces to maintain deterrence in East Asia. The United States takes the position that North Korea's nuclear problems should be resolved not through bilateral talks with Pyongyang but through a multilateral framework, namely, the Six-party Talks, and has been employing carrot-and-stick diplomacy to coax North Korea to attend. As a result, the fourth round of the Six-party Talks materialized in July 2005, and the parties issued the joint statement in September.

Two months later, the fifth round of the talks was held to discuss North Korea's nuclear development program, but no prospects for a solution have emerged.

Relations between the United States and China are improving in wide-ranging areas—political, economic, and military—but many concerns remain. At the IISS Asia Security Conference (Shangri-La Dialogue) held in June 2005 under the auspices of the International Institute for Strategic Studies (IISS), US Secretary of Defense Donald Rumsfeld expressed concern over the increasing military spending and the growing missile capability of China. On July 19, the US Department of Defense released the *Annual Report to Congress: The Military Power of the People's Republic of China*, which warned that if its present tendency toward military expansion continues, China's military capability could pose a credible threat to the countries of the region in the long run. The United States has also heightened its vigilance against China's development of military technology and has expressed concern about the EU, which seeks to lift the ban on the export of weapons to China. The Bush administration's China policy is based on the concept of engagement and deterrence. While his administration has accepted China as a major power and is pressing China to fulfill its concomitant responsibilities, it expressed serious concern that China's military buildup could have a worrisome impact on the security of the region and the world. Outside the security area, there are also problems pending between the United States and China—the trade imbalance, human rights problems, issues revolving around religious freedom, and arms sales by the United States to Taiwan—and these are factors destabilizing relations between the two countries.

On the other hand, the Bush administration is also carrying out a program called “transformation,” which is aimed at overhauling Cold War-oriented military posture geared toward deterring specified countries and adopting a strategy capable of dealing with the new types of threat emerging in the 21st century. The term “transformation” refers to a long-term process designed to transform the defense posture as a whole by forging a new combination not just of military technology but also of ideas about combat capability, manpower, and organization. Also included is a change in the way of fighting, business reform of the Defense Department, and reorientation of international partnerships. The focus of the transformation is to respond rapidly to threats that are unpredictable in place and time through a capabilities-based approach. To this end, US forces are pursuing realignment both at home and abroad, the latter through the Global Posture Review

(GPR). US forces in Asia play a critical role in stabilizing the situation in the Asia-Pacific region, and thus their transformation will inevitably have an impact on the defense posture of Japan. The review of US forces deployed overseas takes into consideration the characteristics of the security environment in different regions, which in the case of the Asia-Pacific region includes the potential for conflict in the Korean Peninsula and the Taiwan Strait. In Southeast Asia, terrorism as well as separatist and independence movements constitute security threats. In carrying out the transformation of US forces in the Asia-Pacific, therefore, the United States needs to take into account three elements—maintaining deterrence, improving rapid-reaction capability, and reducing troop numbers in the medium- and long-term.

3. International Cooperation and the Security of Japan

In December 2004, the Japanese government adopted the *National Defense Program Guidelines of 2004* (2004 NDPG). In the 2004 NDPG, Japan takes the position that in the increasingly globalized world of the 21st century, Japan by its own efforts alone cannot cope with new threats such as international terrorism, and must deal with regional and global security problems by expanding and deepening regional and international cooperation. The objectives of the 2004 NDPG are to prevent any threat from reaching Japan and, in the event that it does, repel it and minimize any damage, and to improve the international security environment so as to reduce the chances that any threat will reach Japan in the first place. The Japanese government has discussed with the United States at the Japan-US Security Consultative Committee meetings the issue of the transformation of US Forces Japan (USFJ) with these two objectives in mind, and in February 2005 the two countries agreed to pursue common strategic objectives. Included in these objectives are: (a) ensuring the security of Japan; (b) strengthening the peace and security of Asia-Pacific; (c) peaceful unification of the two Koreas; (d) peaceful settlement of various problems involving North Korea; (e) cultivating cooperative relations with China and encouraging it to play a responsible and constructive role; (f) peaceful settlement of issues relating to the Taiwan Strait; and (g) enhancing the transparency of China's military activities. As their global objectives, the two countries also agreed on policies designed to promote democracy and other basic values, to cooperate in multilateral

efforts for world peace, to check the proliferation of WMD, and to prevent and eradicate terrorism.

Following the agreement, an interim report about the realignment of the USFJ (SCC Document) was released in October 2005. The SCC Document reaffirmed role-sharing and a mechanism for the defense of Japan and region-wide cooperation in Northeast Asia in line with the two objectives of the 2004 NDPG, and it explicitly stated that bilateral cooperation has become a key element of the Japan-US alliance to improve the international security environment. The SCC Document went on to list factors essential to strengthening the security and defense cooperation postures of the two countries, specifically: (a) a fine-tuned and continuous policy with operational adjustments as needed; (b) progress in reviewing the plan; (c) improved cooperation over intelligence-sharing and intelligence-gathering; (d) improvements in interoperability; (e) an increase in the number of joint exercises between Japan and the United States; (f) shared use of facilities and installations between the Self-Defense Forces (SDF) and the USFJ; and (g) ballistic missile defenses.

The promotion of international cooperation is also defined as an important pillar in the 2004 NDPG. This is because Japan alone cannot sufficiently cope with terrorism and new forms of threat emerging in the wake of growing globalization, making international cooperation necessary to achieve regional and international stability. The 2004 NDPG attaches importance to removing potential threats through positive cooperation with allies and the international community in addition to the efforts Japan makes on its own.

In December 2004, an earthquake occurred in an area off the coast of Sumatra and triggered a tsunami that wrought devastating damage to the countries bordering on the Indian Ocean. In response, aid on a global scale poured into the affected areas. For its part, Japan gave large sums in grant aid—the largest amount, in fact, among the donor countries—and dispatched contingents of the SDF to Thailand and Indonesia to carry out search-and-rescue operations, transport relief goods, and provide medical and communicable disease control services to tsunami victims. When an earthquake hit Pakistan and northern areas of India in October 2005, the SDF transported aid goods to the stricken areas and evacuated victims. In addition, in the Indian Ocean, vessels of the Maritime Self-Defense Force (MSDF) supplied fuel to naval vessels of the US and other coalition countries, and

the Air Self-Defense Force (ASDF) transported materiel to US forces. In Iraq, Japan has been carrying out humanitarian aid activities. With the exception of participation in United Nations peacekeeping operations pursuant to the International Peace Cooperation Law, the Japanese government has enacted special measures laws, such as the Antiterrorism Special Measures Law and the Special Measures Law for Humanitarian Aid and Rehabilitation of Iraq, each time it wanted to participate in international cooperation for peace. Aware of the growing necessity for international cooperation, the Japanese security policy circle is discussing the necessity of enacting a comprehensive law relating to Japan's international cooperation, and is discussing an amendment to the SDF Law to define international peace activities as a standard part of the duties of the SDF.

The Japan-US alliance is growing stronger, but, on the other hand, a movement for creating an East Asian Community excluding the United States is gathering pace. For Japan, as an important ally of the United States intending to realize regional integration aimed at bringing about stability and prosperity in East Asia, the question of how to get involved in the process of forming such a community in the face of China's ambition to exclude the US presents a difficult challenge. To formulate a vision of an East Asian Community in concert with the countries of the region, and to deepen strategic dialogue with the United States and Australia to dispel US concerns, are also critical tasks for Japan. To do so, it is necessary for Japan to map out a comprehensive and long-term East Asian strategy that takes into account not only its economic implications but also the impact it might have on political and security areas.