

Overview

East Asia in 2006

1. The Growing Influence of China

North Korea's launch of ballistic missiles on July 5, 2006, and its announcement that it conducted an underground nuclear test on October 9 came as a shock to East Asia. In particular, the nuclear test declaration became a serious challenge to the Treaty on Non-proliferation of Nuclear Weapons (NPT) and a threat to peace not only in East Asia but in the international community. Meanwhile, the growing influence of China is bringing about a medium- and long-term geopolitical change in the region. Indeed, the pressure and mediation China exerted on North Korea in the process of reopening the Six-party Talks on December 18, 2006, following the nuclear test, did much to restrain North Korean nuclear adventurism. Backed by its economic growth, China's influence in East Asia is likely to grow more than ever. However, it is not yet clear whether China will choose to act as a responsible power of the international community within the existing order, or will attempt to establish a China-led new order in the region.

Since the late 1990s, China's diplomacy has become more active. This policy shift was prompted by China's need for a stable international environment and closer relations with foreign countries in order to achieve sustainable economic growth—its national priority—in the rapidly globalizing world economy. Thus, it was necessary to dispel fears of the China threat prevailing in its neighboring countries and to strengthen a cooperative relationship particularly with Southeast Asian countries and Japan. Various factors—economic disparity, environmental pollution and other problems accompanying rapid development, the need to secure natural resources and energy for further growth, and the rise of nontraditional security issues such as terrorism—have combined to compel China to promote multilateral cooperation.

China concluded a free trade agreement with the Association of Southeast Asian Nations (ASEAN) in 2001, and signed the Treaty of Amity and Cooperation in Southeast Asia in 2003 as the first non-ASEAN country in East Asia. As the treaty stipulates that disputes among member states be solved through peaceful means, the use of force to resolve any China-ASEAN dispute is precluded, thus allaying fears about China. China also signed the Declaration on the Conduct of Parties in the South China Sea, and its concession to the claims of ASEAN on territorial issues in the South China Sea was also effective in allaying ASEAN concerns. The ASEAN Regional Forum (ARF) Security Policy Conference, proposed by China, held its second meeting in May 2006, at which ASEAN and

China agreed to send observers to military exercises of the other. In August of the same year, at a China-ASEAN Seminar on Maritime Law Enforcement Cooperation held in Dalian, China, both sides agreed to promote mutual cooperation for combating piracy. In 2005, China had declared a strategic partnership with Indonesia, and agreed to promote economic and military cooperation with the Philippines. China has thus cultivated cooperative relationships with ASEAN not just in the field of economic development but also in military and nontraditional security issues.

For several years now, Sino-Japanese relations have been cool and summit meetings between the two countries suspended due to the visits by then Prime Minister Junichiro Koizumi to Yasukuni Shrine and China's development of natural gas reserves in the East China Sea. However, Japanese capital, technology, and know-how are indispensable to China for maintaining the forward momentum of its economy, and moreover improving relations with Japan are critical to the formation of an East Asian Community. China did not look for an improvement of its relations with Japan under Koizumi but under his successor. Meanwhile, when Shinzo Abe succeeded Koizumi as prime minister in September 2006, he promptly embarked on a summit meeting with his Chinese counterpart. Traveling to China on October 8, Abe met with President Hu Jintao and they agreed to strive to develop "strategic relations for mutual benefit." Thus, some improvement in bilateral relations has been made, but there still remain difficult problems between them as exemplified by China's continuing energy development project in the East China Sea.

As China is actively building cooperative relations with Russia and Central Asian nations in economic, energy, and military affairs, its "neighboring diplomacy" has achieved remarkable results. One of the Chinese diplomatic aims is containing the unilateralism of the United States and constructing a multipolar world order. China is developing cooperative diplomacy toward ASEAN in a way that checks the US military presence in ASEAN, which has sharply risen since the September 11 terrorist attacks.

In Southeast Asia, China has moved closer to Myanmar, a country under mounting pressure from Western countries to democratize, in the areas of military assistance and energy development; has extended economic assistance to Laos and Cambodia, whose economies are far behind the other ASEAN nations; and has been actively pushing projects for Mekong basin development—all with a

view to expanding its influence in Indochina. In Central Asia, China's strengthening of the Shanghai Cooperation Organization (SCO) seeks to put the brakes on the growing US military presence in the region. On the question of establishing an East Asian Community, China continues to insist on one composed of ASEAN+3 (Japan, China, and South Korea), and has not budged from the position that the East Asia Summit be restricted to ASEAN+3 countries, suggesting its desire for leadership in the movement for constructing a new order in East Asia. While China's cooperative behavior is welcomed by East Asian countries, it is still worth watching whether China will be a stabilizing force in the long run.

2. The International Community and North Korea

The greatest threat facing East Asia is the development of nuclear weapons and ballistic missiles by North Korea. This not only poses a grave threat to the security of Japan and to the peace and stability of the international community, but also raises a serious problem from the standpoint of the nonproliferation of weapons of mass destruction (WMD). North Korea's behavior has been universally censured.

In response to the launching of ballistic missiles in July 2006, Japan imposed nine-point sanctions including a ban on the entry of the North Korean cargo-passenger vessel *Mangyongbong-92* into Japanese ports and of North Korean officials into Japan. In addition, in informal discussions at the United Nations (UN) Security Council, Japan stressed the necessity of increased pressure on North Korea by neighboring countries, and sought jointly with the United States to push through the Security Council (UNSC) a resolution for imposing UN sanctions based on Chapter 7 of the UN Charter. However, this was opposed by Russia and China, and the Security Council ended up adopting a resolution (UNSC Resolution 1695) condemning, rather than sanctioning, North Korea. When North Korea launched a Taepodong missile in 1998, the Security Council had issued a presidential statement merely urging North Korea not to repeat such tests. This time around, however, as Resolution 1695 represented the unanimous will of the international community calling upon member countries to prevent the transfer of equipment, materials, technologies, and funds related to the development of missiles to North Korea, it thus affirmed a stronger UN condemnation than had the previous presidential statement.

When North Korea announced that it had conducted a nuclear test, the international community took far tougher measures: on October 5, the UNSC

unanimously passed a resolution (UNSC Resolution 1718) for sanctions under Article 41 of UN Charter's Chapter 7. More specifically, this resolution required member countries to freeze North Korean WMD-related funds and ban the transfer of WMD- and missile-related materials, and urged them to inspect cargoes aboard ships to and from North Korea. For its part, the Japanese government imposed a ban on the entry of North Korean vessels into Japanese ports and its nationals into Japan. Japan also banned the export of luxury goods to North Korea based on Resolution 1718. China also took an unusually tough stand on the North Korean nuclear test and approved Resolution 1718, although maintaining that the sanctions should be limited to economic ones.

It is fair to say that the determined efforts Japan made to win the support of the Security Council members were instrumental in the resolution against North Korea being passed unanimously. However, the role of China cannot be overlooked. At the time of the North Korean missile launching, China gave top priority to the return of North Korea to the Six-party Talks and opposed a resolution based on Chapter 7 of the UN Charter, and the UNSC opted for a resolution merely condemning North Korea. In regard to the nuclear test, China did approve Resolution 1718 but still favored dealing with the North Korean problem through dialogue. Toward the end of October, the Chinese Foreign Ministry announced that North Korea, the United States, and China had agreed to resume the Six-party Talks and they reopened on December 18. The talks got nowhere, with North Korea demanding the lifting of US financial sanctions against it, and the United States calling upon North Korea to abandon its nuclear program as a condition for guaranteeing the security of North Korea. Although acting in unison with the international community in the case of the North Korean nuclear test, China would prefer to solve the North Korean problem through dialogue for fear of destabilizing the situation in North Korea otherwise. However, given the signs of a stalemate in the Six-party Talks in 2006, the international community looked to China to take a tougher stance pressuring North Korea to take concrete actions for a solution of the problem.

3. US Policy toward East Asia

Since the September 11 terrorist attacks, the United States has taken the view that international terrorism and WMD proliferation are grave threats to international security, and has been seeking to promote democracy and the market economy

across the world. However, the US posture has been perceived as unilateralism and thus has courted criticism. Upon entering its second term, the Bush administration has modified its unilateralist stance in favor of a more pragmatic course valuing coalition and cooperation with allies and partner countries. It is also seeking to revise its Iraq policy. The Iraq problem is the top priority of the administration, but despite the huge price it has paid, the chaotic situation looks only to be worsening, with rampant sectarian violence between Shi'ites and Sunnis. Under such circumstances, calls for a change in Iraq policy have become increasingly strident, and in November 2006 the Democratic Party won the midterm election both in the House and the Senate, reflecting popular discontent with the Bush administration's Iraq policy. Following the results of the midterm election, President Bush announced a reexamination of policy in Iraq, replacing Secretary of Defense Donald Rumsfeld with Robert Gates, former director of the Central Intelligence Agency (CIA).

Meanwhile, the Bush administration has not come up with a clear East Asia strategy, other than its basic policy of a "capabilities-based approach" in dealing with global security, and of strengthened cooperation with allies and within multilateral frameworks. As characteristics of US East Asia policy, Stephen Hadley, assistant to the president for national security affairs, cited the following three points: (a) to strengthen relations with allies, (b) to deal with various security problems by strengthening cooperation with friendly countries and partners, and (c) to treat China as a "responsible stakeholder." The Japan-US security relationship has made progress in the transformation of the US armed forces in Japan through the Japan-US Security Consultative Committee (SCC, the "2+2" talks), and in expanding international peace cooperation activities by Japan's Self-Defense Forces (SDF), for a more effective bilateral alliance. Where US-South Korea relations are concerned, the relocation of the Yongsan base and the redeployment of the 2nd Infantry Division have already begun in line with the reorganization of US Forces Korea (USFK) to be completed by the end of 2009. Also, efforts have started to map out a future vision for the US-South Korea alliance. In its relations with ASEAN, the Bush administration has signed a framework document for establishing an ASEAN-US Enhanced Partnership designed to strengthen cooperation in the three areas of security, economic cooperation, and social issues and education.

In regard to China, the United States accepts the growing international influence of China as an irreversible fact and welcomes China as a "responsible stakeholder"

in the international community. However, the US does not share its basic values of freedom and democracy with China. It has not fully lost its wariness of China, which is not being transparent about the modernization of the People's Liberation Army and is aggressively securing energy resources throughout the world. The United States is also pursuing a strategic relationship with India for peace and stability in Asia and the prevention of the proliferation of nuclear-related materials and technology.

Another serious challenge for the Bush administration is the proliferation of WMD, particularly the nuclear programs of Iran and North Korea. The administration intends to solve these issues through multilateral diplomacy. While the launching of missiles and the nuclear test conducted by North Korea have created a serious threat, the United States does not want to conduct bilateral talks with North Korea but negotiate through the Six-party Talks, expecting China to engage responsibly in the framework. In fact, China did play a brokering role for the resumption of the Six-party Talks in December 2006.

There is a danger that North Korea might press ahead with its ballistic missile and nuclear programs and reinforce its nuclear arsenal by building an additional 5MWe nuclear reactor capable of producing plutonium that can be used for developing nuclear weapons. As this poses a serious threat, Japan, together with the United States, needs to increase international pressure on North Korea and to press China to make further efforts to solve the North Korean problem. In 2006, East Asian countries seemed preoccupied with North Korea's missile launching and underground nuclear test. However, of equal importance for them, or perhaps of even greater importance, was the steadily growing influence of China in the region. So far, China has been pursuing a cooperative diplomacy but its future stance is still uncertain. It is necessary to keep in mind this fundamental lack of transparency while seeking to promote cooperative relations with China. In this regard, it would be important for Japan to maintain and further strengthen its cooperative relationship with the United States in the coming years. Furthermore, Japan should strengthen cooperation with Australia in order to maintain peace and stability in the Asia-Pacific region.