Chapter 6

The United States—
The Bush Administration Makes a Course Correction

President George W. Bush, facing continuing sectarian conflict in Iraq and a growing public cry in the United States for him to retool his policy on Iraq, launched on January 10, 2007 a new strategy that called for a surge in US forces in Iraq as a means of securing the safety of Iraq's population. Later in the year, Bush announced in his September 13 Iraq policy speech that US troop strength in Iraq would be reduced in a phased manner. However, it is likely that the United States will maintain a certain level of military presence in Iraq for an extended period of time to aid with Iraqi Security Forces training and other security needs, while building a long-term strategic relationship with Iraq's Shiite-led government. Furthermore, US regional strategy to contain Iran will likely be implemented through support for Sunnis in Iraq to balance out sectarian power, and through stronger partnerships with Sunni countries in the region. In Afghanistan, the biggest challenge for the Bush administration continues to be the deterioration of public security, as attacks by the Taliban and other militant forces led to an increase in fatalities among members of the International Security Assistance Force (ISAF) and multinational forces in 2006 and 2007.

With regard to East Asia, the Bush administration has been actively pursuing bilateral alliances and multilateral cooperation in order to be able to deal with new security challenges while developing a balance of power that favors freedom. Since 2006, the Bush administration has enhanced the Asian policy coordination functions of the Department of State and the Department of Defense in order to strengthen US strategic engagement and leadership in Asia vis-à-vis the region's major powers. This move is motivated by a geopolitical factor—US desire to engage the rising powers, China and India—and by a new strategic factor—the expansion of the war on terrorism. The United States is also carrying out a transformation and global realignment of its military. In the Asia-Pacific region, the realignment is being implemented designed in a manner to reduce US military's force size over the longer run, while maintaining its deterrent effect and enhancing its rapid deployment capabilities.

In December 2006 and the following January, the Bush administration made a major course change in its policy on the nuclear weapons program of the Democratic People's Republic of Korea (DPRK or North Korea), replacing its hard-line approach with a willingness to formally engage in direct bilateral dialogue with Pyongyang. This shift, however, is only a switch in tactics, and does

not represent a change in the US strategic goal of having North Korea undertake a "complete, verifiable, and irreversible" abandonment of its nuclear program. Eager to produce diplomatic results before the end of its reign, the Bush administration may carry through with its conditional promise to begin the process of removing North Korea from its list of state-sponsors of terrorism and terminating the Trading with the Enemy Act's application to the DPRK, and it may simultaneously engage in talks on the construction of a peace regime on the Korean Peninsula as it pursues the issue of North Korean denuclearization. However, it will be difficult to build that peace regime and a mechanism for Northeast Asian peace and security unless the process of denuclearizing North Korea is successfully completed.

In February 2007, former Deputy Secretary of State Richard Armitage and former Assistant Secretary of Defense for International Security Affairs Joseph Nye released a report titled *The US-Japan Alliance: Getting Asia Right through 2020*. Filled with thought-provoking analyses and recommendations concerning the US alliance with Japan and its strategy on Asia, the report is expected to have an impact on the next US administration's Asian strategy and Japan policy. Two of the more salient features of the report are its positioning of the US-Japan alliance as the core of US strategy on Asia, and its vision for fostering a triangle of US-Japan-China relations as a key for stabilizing East Asia.

1. The Bush Administration's Security Strategy

(1) An Overhaul of the Iraq Strategy

Throughout the year 2006, the situation in Iraq continued to be mired in chaos, leading to a growing cry by the US public for a retooling of their government's policy toward Iraq. This dissatisfaction was partly responsible for the Republican Party's defeat in the midterm elections for the US Congress in November 2006, and formed the backdrop behind President Bush's announcement that Secretary of Defense Donald Rumsfeld was stepping down and would be replaced by former Director of the Central Intelligence Agency (CIA) Robert Gates. On the following December 6, the Iraq Study Group (ISG), a bipartisan panel led by former Secretary of State James Baker and former Democratic Member of Congress Lee Hamilton released a report outlining recommendations for US policy on Iraq, including the phased withdrawal of all US combat units by March 2008, direct

dialogue with Iran and Syria, and the formation of an international support group comprised mainly of neighboring countries and United Nations Security Council (UNSC) member states. As part of the effort to overhaul its Iraq policy, the Bush administration carried out a major personnel reshuffle, appointing Lt. Gen. David Petraeus as Commanding General of Multi-National Force-Iraq (MNF-I; with promotion to full general), Commander of the US Pacific Command William Fallon as Commander of the US Central Command, US Ambassador to Pakistan Ryan Crocker as ambassador to Iraq, and Director of National Intelligence John Negroponte as deputy secretary of state.

On January 10, 2007, President Bush announced a new strategy focused on ensuring public safety in Iraq through a surge in the US military presence. This decision was apparently motivated by an escalation in sectarian conflict that stemmed from the February 2006 bombing of a Shiite mosque in Samarra—which also worsened the security situation in Baghdad and the western province of Anbar—as well as by the resulting lack of significant progress in the political process and economic reconstruction.

Guided by the conviction that the vicious cycle of sectarian violence could no longer be tolerated, the new strategy was founded on six fundamental elements, quoted from a White House release as follows: (a) let the Iraqis lead; (b) help Iraqis protect the population; (c) isolate extremists; (d) create space for political progress; (e) diversify political and economic efforts; and (f) situate the strategy in a regional approach. Specific plans called for (a) an increase in the US military presence by more than 20,000 troops, the majority of whom would be deployed in Baghdad; (b) the transfer of security responsibility to Iraqi authorities by November 2007, since the US commitment to Iraq is not open-ended; (c) the doubling of provincial reconstruction teams (PRT; comprising US military personnel and Iraqi civilians) and the acceleration of Iraqi military training; (d) the deployment of 4,000 additional US troops to Anbar to combat al-Qaeda terrorists; (e) the interruption of the flow of support from Iran and Syria, since both nations allowed border crossings by terrorists and insurgents, and since Iran provided material support for attacks on US armed forces; and (f) the deployment of an additional carrier strike group and Patriot air defense systems to the Middle East in order to protect US interests there. In other words, the new strategy was aimed at reinforcing US troop strength and other support to help Iraq stand on its own feet, while at the same time emphasizing the Iraqi government's responsibility

to make its own efforts. As a result of the troop surge, the US military presence in Iraq rose peak of somewhere around 170,000, the highest level following the conclusion of major combat operations.

Notably, the strategy emphasizes the danger of an early withdrawal of US troops—based on the premise that long-term deployment of the US military is necessary to counter the risk of regime collapse posed by immediate withdrawal—and it rejects the ISG's recommendation of direct dialogue with Iran and Syria in favor of an effort to contain the influence of those two nations instead. Speaking at a news conference on January 11, US Secretary of State Condoleezza Rice denounced Iran and Syria for abetting the destabilization of Iraq through their support of extremists in Iraq. At the same briefing, Defense Secretary Gates announced that he advised President Bush to boost the US military strength by 92,000 personnel, comprising 65,000 soldiers and 27,000 marines, over the next five years in order to deal with the long war on terrorism in Iraq and elsewhere.

In his State of the Union address on January 23, Bush declared that the US goal in Iraq was to aid the formation of a democratic state that would abide by the rule of law, protect human rights, ensure public security, and serve as an ally in the war on terrorism. At the same time, he called upon the Iraqi government to bring an end to sectarian violence, and again appealed for US public support of his plan to send more than 20,000 additional troops to Iraq. He underlined the need for the United States to achieve success in Iraq by warning, "If American forces step back before Baghdad is secure, the Iraqi government would be overrun by extremists on all sides. We could expect an epic battle between Shia extremists backed by Iran, and Sunni extremists aided by al-Qaeda and supporters of the old regime. A contagion of violence could spill out across the country—and in time, the entire region could be drawn into the conflict. For America, this is a nightmare scenario."

However, the Democrat-led US Congress voiced growing opposition to the troop surge, arguing that it conflicted with the national interest. The Senate Foreign Relations Committee adopted on January 24 a resolution opposing the surge, and the House of Representatives followed suit with a similar resolution on February 16. While neither resolution was legally binding, they nevertheless represented a major setback for the Bush administration's attempt to attract bipartisan support for its Iraq strategy. During a March 23 plenary meeting, the lower house intensified its resistance by passing a bill requiring the complete withdrawal of the US military from Iraq by 2008, and in April both houses adopted a supplemental appropriations

bill that included a clause demanding US troop withdrawal by the end of March 2008. This was followed by coordination between both houses to integrate their measures on the troop withdrawal deadline, resulting in a supplemental appropriations bill that required the withdrawal to start some time between July 1 and October 1, 2007, and to end by March 31, 2008. However, the insertion of the deadline prompted President Bush to veto the bill. Afterwards, congressional Democrats and Republicans worked together to hammer out a compromise to replace the bill's deadline clause with language requiring the presidential administration to make two reports to Congress on progress in achieving political and security goals in Iraq. Both houses adopted the revised bill on May 24, providing supplemental funding for FY2007 (October 2006–September 2007).

On September 10 and 11, MNF-I Commanding General Petraeus and Ambassador to Iraq Crocker gave testimony to Congress on the situation in Iraq. Petraeus reported that the number of all civilian deaths in Iraq, excluding those due to natural causes, had declined by 45 percent since December 2006, and that the multinational forces and the Iraqi Security Forces had achieved progress in the area of security. He also indicated that the military objectives of the US troop surge were being met to a large extent, and that it would be possible to reduce the current presence of 168,000 troops by nearly 30,000 between December and the summer of 2008, so as to bring it back down to the pre-surge level. The improvement in security conditions was, he said, attributable to the heavy blow that had been dealt to al-Qaeda in Iraq, the disruption of Iranian-supported Shiite militias, and in Anbar, where 4,000 additional US marines had been deployed, the willingness of Sunni youths to serve in the Iraqi Army and the Iraqi Police Service, coupled with the local population's rejection of al-Qaeda, a development that was echoing across other parts of Iraq as well. With regard to the effect of the security successes, Petraeus forecasted that a Marine Expeditionary Unit deployed in the surge could be pulled out by September, followed by the withdrawal of a brigade combat team in mid-December, and the subsequent redeployment without replacement of four other brigade combat teams and two Marine battalions, thereby returning to the pre-surge level of fifteen brigade combat teams by mid-July 2008. Ambassador Crocker stated that it was possible for Iraq to evolve into a secure, stable democracy that peacefully coexisted with its neighbors, but that US resolve and commitment were essential to the attainment of that goal. In addition to the overall improvement of security, he said that progress was also being made in regional politics in mainly

the north and the west, but he cautioned that such provincial successes could not be parlayed into advances in national politics in Baghdad without tackling the key task of Iraqi reconciliation. Crocker also argued for the development of a strategic US-Iraq partnership, asserting that a drastic reduction of the US military presence in Iraq could precipitate a civil war that would invite intervention by neighboring states, thereby producing a scenario in which Iran would undoubtedly be a "winner" and would bolster its influence over Iraqi resources and territory.

In his September 13 speech on US policy toward Iraq, President Bush said that the successful creation of a "free Iraq" was imperative to US national security, as it would deny al-Qaeda a safe haven and counter Iran's destructive ambitions. He also declared that he would follow Petraeus' advice by withdrawing some 2,200 marines from Anbar in mid-September, pulling out an Army combat brigade for a total force reduction of 5,700 by December, and ultimately reducing the current twenty combat brigades to fifteen by July 2008. With regard to public security-focused operations, he indicated that in December the US military would start transitioning from the role of leader to a role as a partner with Iraqi forces.

On September 14, the Bush administration issued the last of its two Benchmark Assessment Reports on Iraq, as required by the supplemental appropriations act passed by Congress (see Table 6.1). The initial report released on July 12 indicated that satisfactory progress had been achieved toward eight of the eighteen benchmarks specified by Congress. During the interim between the reports, Iraq's Maliki government worked at advancing national unity, and an August 26 discussion of pending issues by Prime Minister Nouri al-Maliki and four other major faction leaders resulted in an agreement to, among other things, permit the return of former Ba'athists to civic life. Because of these developments, the final assessment report asserted that satisfactory progress had been made toward enacting and implementing legislation on de-Ba'athification reform. However, *Securing, Stabilizing, and Rebuilding Iraq*, a report issued by the US Government Accountability

Office (GAO) on September 4, gave a much less positive evaluation of the situation in Iraq, stating that Baghdad had, as of the preceding August 30, fully achieved three of the eighteen benchmarks, partly achieved four others, and failed to attain success in the remaining eleven (see Table 6.1). Testifying before the US Senate Committee on Foreign Relations on September 4, GAO Comptroller General David Walker said that the Iraqi government had not made progress in developing the legal framework necessary for promoting sectarian reconciliation—noting in particular that legislators had not passed a de-Ba'athification reform law to encourage Sunni participation in the central government—and he expressed concern that it wasn't clear whether sectarian violence was waning. According to *Prospects for Iraq's Stability: Some Security Progress but Political Reconciliation Elusive*, a National Intelligence Estimate released on August 23 by the Office of the Director of National Intelligence, the security situation in Iraq had shown "measurable but uneven improvements" since January 2007, but the scale of overall violence, including civilian deaths, remained high while sectarian reconciliation failed to move forward.

As discussed above, the Bush administration contended that its troop surge produced successes in Iraq, such as the security improvements seen in Baghdad and Anbar, and thus paved the way for a phased withdrawal of the nearly 30,000 surge troops. Describing the level of US military strength in Iraq as based on the principle of "return on success," the Bush administration warned that a sudden drawdown would risk catastrophe. However, the long-term picture for stability in Iraq remains murky, as sectarian conflict continues to produce discord within the central government and the nation as a whole, while progress remains elusive on a number of fronts, including the development of legislation for the fair distribution of petroleum revenues. Moreover, some experts point out that the Iraqi public is growing dissatisfied with the government, and that security improvements are visible only in areas where the multinational forces have conducted sweeps, while the number of violent deaths among US troops and Iraqi civilians has risen in the northern cities of Mosul and Kirkuk, and in Basra and Shiite-dominated regions in the south. As such, the Bush administration's declaration of a partial troop withdrawal at this stage seems to reflect the political dynamics in the United States more than it does any material change in the Iraq situation.

While it is difficult to predict the shape that US strategy on Iraq will take after the departure of the Bush administration, it is likely that the United States will

Table 6.1. Comparison of Benchmark Assessment Reports (initial and final) and GAO report

Benchmark	Initial BAR	Final BAR	GAO report
1. Forming a Constitutional Review Committee and then completing the constitutional review	○	○	×
2. Enacting and implementing legislation on de-Ba'athification reform	×	○	×
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources to the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shi'a Arabs, Kurds, and other Iraqi citizens in an equitable manner	×	×	×
4. Enacting and implementing legislation on procedures to form semi-autonomous regions	○	○	△
5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections	△	△	×
6. Enacting and implementing legislation addressing amnesty	—	—	×
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the constitution of Iraq	—	—	×
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad Security Plan	○	○	○
9. Providing three trained and ready Iraqi brigades to support Baghdad operations	○	○	△
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions in consultation with US Commanders, without political intervention to include the authority to pursue all extremists including Sunni insurgents and Shiite militias	×	△	×
11. Ensuring that Iraqi Security Forces are providing even-handed enforcement of the law	×	△	×
12. Ensuring that, as President Bush quoted Prime Minister Maliki as saying, "the Baghdad Security Plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation"	○	○	△
13 Reducing the level of sectarian violence in Iraq and eliminating militia control of local security	△	△	×
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad	○	○	○
15. Increasing the number of Iraqi Security Forces units capable of operating independently	×	×	×
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected	○	○	△
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis	○	○	△
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the ISF	×	×	×

Sources: Compiled from initial and final Benchmark Assessment Reports on Iraq, and the GAO's *Securing, Stabilizing, and Rebuilding Iraq*.

Note: ○ = met; × = not met; △ = partially met; — = not assessable

maintain a certain level of military presence in Iraq over the medium to long run, and continue to train the Iraqi Security Forces while forging a long-term strategic relationship with the nation's Shiite-led government. Furthermore, the US regional strategy to contain Iran can be expected to beget efforts aimed at striking a balance between Iraq's sectarian forces through support of Sunni interests, and at strengthening partnerships with Sunni-dominated neighboring countries. President of the Council on Foreign Relations Richard Haass holds that instead of simply focusing on realizing Iraqi reconciliation under a unified government, Washington is shifting to a regionally-oriented strategy in which stronger relationships with Saudi Arabia, Egypt, and Iraqi Sunnis are used to create a sort of deadlock in Iraq to offset the power of its Iranian-backed Shiite-led government. According to the Congressional Budget Office, if the war on terrorism continues in Iraq and Afghanistan for the next ten years and the US military personnel serving in those operations falls to 75,000 by 2013, the total cost of the effort between 2001 and 2017 will run up to $1.7 trillion. Moreover, there is concern that the prolongation of the war will have a serious impact on the size and deployment of US military forces, including reserves and National Guard units.

(2) The War on Terrorism—An Increasingly Muddled Situation in Afghanistan

The military action launched against Afghanistan by US- and British-led forces immediately after the September 11, 2001, terrorist attacks toppled the country's Taliban regime, which was suspected of harboring al-Qaeda members, and resulted in the death or capture of many Taliban leaders. Today, security sweeps against al-Qaeda and Taliban holdouts continue to be conducted by the multinational Combined Joint Task Force 82 (CJTF-82), the ISAF, and Afghanistan's military. CJTF-82, the bulk of which is formed by some 8,000 US troops, engages in cleanup operations and training of Afghan security and police forces. ISAF was established under UNSC Resolution 1386 (December 20, 2001) with the primary mission of maintaining security in and around the capital, Kabul. In December 2003, its area of operation was extended by UNSC Resolution 1510 (October 13, 2003), and in October 2006 it took over responsibility for nationwide security from the US military. As of December 5, 2007, ISAF comprised 41,741 personnel from 39 nations, counting National Support Element personnel (see Table 6.2). The PRT set up in Gardez by the United States in December 2002 has

Table 6.2. Thirty-nine ISAF members and twenty-seven PRT participants (as of December 5, 2007)

	ISAF member	Personnel	PRT participation		ISAF member	Personnel	PRT participation
1	United States	15,138	○	22	Portugal	196	○
2	United Kingdom	7,753	○	23	Greece	143	
3	Germany	3,155	○	24	Albania	138	
4	Italy	2,358	○	25	Macedonia	125	○
5	Canada	1,730	○	25	Estonia	125	
6	Netherlands	1,512	○	27	Latvia	96	
7	France	1,292	○	28	Jordan	90	○
8	Turkey	1,219	○	29	Finland	86	○
9	Poland	1,141	○	30	New Zealand	74	○
10	Australia	892	○	31	Slovakia	70	
11	Spain	763	○	32	Slovenia	66	
12	Denmark	628	○	33	Azerbaijan	22	
13	Romania	537	○	34	Iceland	10	○
14	Norway	508	○	35	Luxembourg	9	
15	Bulgaria	401		36	Ireland	7	
16	Belgium	369	○	37	Austria	3	
17	Sweden	350	○	38	Switzerland	2	○
18	Czech Republic	240	○	39	Georgia	—	
19	Hungary	219	○		ISAF + NSE	41,741	
20	Croatia	211	○		NSE	6,495	
21	Lithuania	196			South Korea (multinational forces)	approx. 200	○

Sources: Compiled from ISAF website and other sources.
Note: All South Korean military personnel deployed to Afghanistan were withdrawn on December 14, 2007, but it is believed that South Korea will send some twenty to thirty PRT personnel to Afghanistan in January 2008.

since then expanded its area of operation and the number of participating countries. Presently, twenty-five PRTs overseen by ISAF Regional Commands engage in security and reconstruction support all across Afghanistan.

From 2006 to 2007, fatalities increased among ISAF and multinational forces personnel as the ISAF extended its range of operation and the Taliban made a resurgence. The deterioration of the security situation continued to be the biggest challenge for authorities, with terrorist attacks spreading to Kabul and areas that had been relatively stable, including improvised explosive device attacks and

suicide bombings directed against military and police forces. Factors behind the weakening of security included personnel shortages among US and North Atlantic Treaty Organization (NATO) forces, insufficient outfitting of Afghanistan's security and police units, anti-Western sentiment stemming from civilian deaths in security sweeps, poverty and delayed infrastructural development in the south and east, opium cultivation (a source funds for the Taliban), and Taliban forces operating across the Pakistan border. While visiting Kabul on June 4, 2007, Defense Secretary Gates stated that Iranian weapons were flowing into Afghanistan, but it is unclear whether the Iranian government was involved.

During an informal meeting of NATO defense ministers in the Netherlands on October 24 and 25, 2007, the United States called upon the other member states to send additional troops to Afghanistan. NATO Secretary General Jaap de Hoop Scheffer also appealed to the members for more support, stressing that NATO was facing its most serious test in Afghanistan. In response, France, Germany, the Czech Republic, and Slovakia pledged to make further deployments to Afghanistan, but ISAF still remains underequipped and short-handed. Reports from Reuters and other media sources indicate that as of October 2007, deaths suffered by NATO forces in Afghanistan included 450 troops from the United States, 82 from the United Kingdom, 71 from Canada, 26 from Germany, 23 from Spain, 13 from France, and 11 from the Netherlands.

2. The Bush Administration's Asian Strategy

(1) US Relations with Major Asian Powers

Throughout the Cold War, the United States contributed immensely to the Asia-Pacific region's stability and prosperity in its role as a Pacific power with regional interests, achieving that success by maintaining bilateral alliances and partnerships, as well as forward-deployed forces based on those relationships. In the wake of

the 9/11 terrorist attacks, however, the United States radically shifted its perspective on national security. In recent years, the Bush administration has pursued its war on terrorism in Iraq and Afghanistan, and has strengthened strategic ties with major powers in Asia. This latter move is motivated by a geopolitical factor—US desire to engage the rising powers, China and India—and by a new strategic factor—the expansion of the war on terrorism. At the same time, the Bush administration has since its inauguration implemented a program to transform and globally realign the US armed forces. In the Asia-Pacific region, this program has been aimed at downsizing US military forces over the longer run, while maintaining their deterrent effect and enhancing rapid deployment capabilities.

Since 2006, the Bush administration has enhanced the Asian policy coordination functions of the Department of State and the Department of Defense. Under the banner of "transformational diplomacy," Secretary of State Rice has worked to strengthen the State Department's Asia policy units with the aim of using diplomacy as a tool for helping various Asian states to evolve into stable democracies. One focus of her efforts has been the correction of personnel imbalances, such as the nearly equally sized staffing for Germany and India, despite the vast difference in the two nations' population sizes (82 million and 1 billion, respectively). Accordingly, the State Department plans to reassign a large proportion of its personnel in Washington and Europe to China, India, Indonesia, and other Asian countries over the next ten years. For its part, the Department of Defense started to reorganize its policy planning and implementation offices in October 2006, and began full-scale operation of its new system in the following March. Five assistant secretaries now serve under the undersecretary of defense for policy, with each overseeing one of the following units: International Security Affairs, Asian and Pacific Security Affairs, Homeland Defense and America's Security Affairs, Global Security Affairs, and Special Operations and Low-intensity Conflicts. In addition, the assistant secretary for International Security Affairs was given responsibility for affairs pertaining to the Middle East, Europe and NATO, Africa, and Eurasia. It should be noted here that the reorganization made Asian and Pacific Security Affairs an independent office by separating it from the International Security Affairs, and created three subdivisions under it to cover East Asia, Central Asia, and South and Southeast Asia. In doing so, the Department of Defense strengthened and unified its organization for dealing with Asian nations and regions, including China and India as rising powers, Afghanistan

as a focus of the war on terrorism, and Central Asia, which has increasingly become strategically important.

The United States is broadly augmenting its political, economic, and military relationships with China in order to encourage that rapidly developing nation to play a constructive role as a "responsible stakeholder" in the international community. In particular, the Bush administration has looked to China to actively serve as the chair of the Six-party Talks on the North Korean nuclear issue, with the expectation that Beijing's involvement will facilitate a peaceful settlement of the issue through multilateral diplomacy, and will nurture the talks into a mechanism for peace and stability in Northeast Asia. However, the Bush administration is applying a hedging strategy to prepare for potential Chinese hostilities against the United States in the future, by endeavoring to balance off China's military buildup and thereby maintain the US armed forces' dominance in the Asia-Pacific region.

Throughout 2007, US-China relations remained more or less stable with regard to security affairs, but the US administration, Congress, media, and think tanks expressed alarm over several disquieting moves by China, such as the inscrutable enlargement of its military strength and defense spending, its successful anti-satellite test in January, and its refusal to allow US Navy vessels to visit Hong Kong in November. In response to the anti-satellite test, the US-China Economic and Security Review Commission, a bipartisan panel formed by members of both houses of Congress, released on January 19 a report on China's anti-satellite weaponry and space strategy, which warned that a small-scale attack by China on fifty US satellites in a crisis could deliver a catastrophic blow to not only the US military, but also the nation's economy. On March 8, Commander of the US Northern Command Timothy Keating, speaking at a US Senate Committee on Armed Services hearing to review his nomination as Commander of the US Pacific Command, stated that he would seek to encourage greater transparency in China's military through joint exercises and other forms of military exchange, while remaining "particularly attentive to any military quantitative and qualitative gap between China and Taiwan."

The Department of Defense issued on May 25 *Military Power of the People's Republic of China 2007*, one of its annual reports to Congress. In addition to criticizing the lack of transparency in China's military expansion goals and defense spending, the report expressed dismay over the buildup of the People's

Liberation Army (PLA), including with regard to (a) the strengthening of its nuclear capabilities through the addition of ground-based, road-mobile Dong Feng-31 intercontinental ballistic missiles; (b) the enhancement of the survivability and flexibility of its nuclear force through the development of the Ju Lang-2 submarine-launched missiles, which are expected to be initially deployed on *Jin*-class nuclear submarines some time between 2007 and 2010; (c) the introduction of weapons systems enabling preemptory strikes against Taiwan, including approximately 900 short-range ballistic missiles, as well as Su-30 fighters and the indigenous state-of-the-art J-10 fighters; and (d) the ability to destroy other nations' satellites in low earth orbit, which was demonstrated in the January 2007 anti-satellite test.

Against this backdrop, however, the United States and China are making slow but steady progress in advancing exchange between their armed forces. In a March 2007 visit to China, Chairman of the Joint Chiefs of Staff Peter Pace proposed that both sides work toward deeper military exchange, such as through the establishment of a hotline between the US Department of Defense and the Chinese Ministry of National Defense. Defense Secretary Gates and Minister of National Defense Cao Gangchuan agreed in a November 3 meeting to set up the hotline, engage in joint exercises in disaster relief, increase military educational exchange, and cooperate in the search for US POW/MIA personnel who fought during or after the Korean War.

Factors other than security affairs have threatened to destabilize US-China relations, including the two nations' trade imbalance and the value of the renminbi, issues of human rights and religious freedom in China, the sale of Chinese weapons to Iran, US arms sales to Taiwan, and problems related to energy and the environment. Moreover, Washington has kept a wary eye on the Shanghai Cooperation Organisation, which is formed by China, Russia, and several Central Asian states, and on Chinese efforts to spearhead the formation of an East Asian Community.

Turning to US-Japan security relations, salient advances have been made by both sides, as seen in the realignment of US armed forces and the expansion of the Japanese Self-defense Forces' (SDF) participation in international peace cooperation activities. US-Japan security cooperation is expected to evolve into an even more effective system, now that both sides are steadily implementing the common strategic goal agreed upon in February 2005, the October 2005 joint document on the roles, missions, and capabilities of the SDF and the US military, and the United

States-Japan Roadmap for Realignment Implementation, which was adopted in May 2006 as a blueprint for reshaping the US Forces Japan (USFJ).

In an April 2007 summit meeting between President Bush and Prime Minister Shinzo Abe at Camp David, both sides expressed their shared recognition of the importance of deterrence based on the US-Japan security arrangements, and reaffirmed their intent to steadily implement the USFJ realignment and deepen ballistic missile defense (BMD) cooperation. They also agreed to beef up support for Pakistan and Afghanistan with regard to efforts in Iraq and the war on terrorism. This was followed on May 1 by the release of "Alliance Transformation: Advancing United States-Japan Security and Defense Cooperation," a joint statement by the bilateral Security Consultative Committee. The statement stressed the US-Japan alliance's regional and global roles, particularly with regard to (a) supporting Japan's defense and regional security through the US extended deterrence; (b) the necessity of expanding and deepening bilateral intelligence cooperation and information sharing, and strengthening mechanisms to protect classified materials; (c) achieving denuclearization of the Korean Peninsula through the Six-party Talks; (d) encouraging China to be more open about its military affairs; (e) bolstering their trilateral cooperation with Australia in security, defense, and other areas; (f) building upon their partnerships with India; (g) ensuring successful economic reconstruction and political stabilization in Afghanistan; (h) contributing to the development of a democratic Iraq; (i) solidly implementing the 2006 realignment roadmap; and (j) pursuing BMD cooperation, including with regard to intelligence and operation.

Notably, the United States praised the SDF's humanitarian assistance in Iraq and refueling of multinational force ships in the Indian Ocean as examples of the US-Japan alliance's evolution. However, due to opposition by the Democratic Party of Japan, the Anti-terrorism Special Measures Act failed to be extended before its November 1, 2007, expiration date, resulting in the suspension of the SDF's refueling operations and the withdrawal of its vessels from the Indian Ocean. Although the United States did not perceive this withdrawal as posing an impact on its alliance with Japan, it called upon Tokyo to restart the refueling operations because of concerns that other members of the "coalition of the willing" would be affected by the absence of the SDF's support. While visiting Japan on November 8, Defense Secretary Gates told Prime Minister Yasuo Fukuda and Minister of Defense Shigeru Ishiba that the United States appreciated the

SDF's Indian Ocean refueling operations, and urged them to work toward the early resumption of that support.

On November 16, President Bush and Prime Minister Fukuda met in Washington for their first summit, in which they reaffirmed that the US-Japan alliance played an indispensable role in dealing with global challenges, and agreed to further strengthen that relationship. Bush also declared that the United States would not forget the issue of North Korea's abductions of Japanese citizens, and would work closely with Japan in dealing with problems pertaining to North Korea. However, given that no progress has been made in the abduction issue, a subtle shadow may be cast on US-Japan relations if the US administration decides to remove North Korea from its list of state-sponsors of terrorism.

The US alliance with the Republic of Korea (ROK or South Korea) is also entering a new phase of transformation as the US military continues to realign its forces. At a US-ROK defense ministerial meeting on February 23, 2007, both sides agreed to dismantle their current Combined Forces Command on April 17, 2012, and to transfer to South Korea wartime operational control for contingencies in the Korean Peninsula. Following the transition, both sides will establish independent commands, with the ROK armed forces guiding strategy, and the US military, under its own command, providing support to South Korea. As for the realignment of US Forces Korea (USFK), both nations agreed in 2003 that the USFK's Camp Yongsan would be relocated from central Seoul to the Pyongtek area south of Seoul, and that USFK units stationed north of the Han River would be repositioned south of that river. The Camp Yongsan transfer was originally planned for 2008, but will likely be postponed by four or five years due to difficulties in acquiring the necessary land. As part of the war on terrorism, South Korea had deployed medical support and engineering units to Afghanistan, but withdrew all personnel by December 14, 2007. In the following February, however, thirty PRT personnel were sent to Afghanistan. The ROK administration also reduced its 1,200 reconstruction support personnel in northern Iraq to 600, and decided to seek a one-year extension of the December 2007 withdrawal deadline, submitting a petition for approval to the legislature in early November.

Following the landslide victory of the conservative Grand National Party's Lee Myung-bak in the December 19 ROK presidential election, US Ambassador to South Korea Alexander Vershbow gave a speech on December 21 at the Korea Institute for Defense Analyses, in which he emphasized the need for the United

States and South Korea to push forward with the transformation of their alliance, adding to it a global dimension transcending their military cooperation in the Korean Peninsula.

Ever since the United States and India branded their relationship as a "strategic partnership" in 2004, they have enlarged and fortified cooperation across diverse spheres, including civilian nuclear activities, civilian space programs, and high technology trade. On July 27, 2007, both sides signed an agreement on civilian nuclear cooperation. Secretary of State Rice and Indian Minister of External Affairs Pranab Mukherjee released a joint statement that lauded the achievement of a historic milestone in the two nations' strategic partnership, and highlighted the agreement's significance as a vehicle for ensuring energy security, protecting the environment, increasing business opportunities, and strengthening nonproliferation efforts. The agreement pledged that, among other things, (a) the United States would provide nuclear fuel and technologies to India, provided that they are used for civilian nuclear facilities subject to surveillance by the International Atomic Energy Agency (IAEA); (b) in the event that India conducts nuclear testing, the United States would have the right to demand the return of the nuclear fuel and technologies; (c) the United States would request reprocessing of spent nuclear fuel at a new Indian facility governed by IAEA safeguards; (d) the United States would support India's creation of a strategic nuclear fuel reserve and its access to the international fuel market. In order for the agreement to take effect, India and the IAEA need to execute an agreement on safeguards, approval must be obtained from the Nuclear Suppliers Group, and the US Congress must ratify the agreement. The approval process in India initially became stalled due to resistance by the four leftist parties that are non-cabinet allies to the Congress Party-led coalition government, but this opposition was ironed out through talks between both sides, paving the way for the commencement of India's negotiations with the IAEA on November 21.

(2) Advances in Trilateralism

Ever since the Cold War, US strategy on Asia has been grounded in bilateral alliances and partnerships. Although in recent years the United States has actively participated in such multilateral forums as the Asia-Pacific Economic Cooperation (APEC), the ASEAN Regional Forum (ARF), and the Six-party Talks, the US military's forward-deployed forces and the alliances that enable their operations

have played the central role in Washington's successful engagement with the various security issues of the Asia-Pacific region. However, it is a multilateral approach that is vital for effectively dealing with such new challenges as the war on terrorism, the proliferation of weapons of mass destruction (WMD), tsunami and other natural disasters, and avian influenza and other infectious diseases. Accordingly, the United States is looking to augment its portfolio of bilateral arrangements by adding trilateral and larger multilateral ties. Recent examples of US involvement in multilateral cooperation include international disaster relief operations in the aftermath of the earthquake off Sumatra in Indonesia and the subsequent tsunami in the Indian Ocean, the Proliferation Security Initiative aimed at preventing the spread of WMD and related materials, and the Six-party Talks for resolving the North Korean nuclear issue. As will be discussed later, the Bush administration is seeking a peaceful settlement of the North Korean nuclear issue, with the ultimate goal of having the Six-party Talks evolve into a mechanism for peace and stability in Northeast Asia. During a September 7, 2007, speech at an APEC conference in Sydney, President Bush called for the creation of a new "Asia Pacific Democracy Partnership" in order to build a stronger network of alliances and partnerships for spreading democratic values and conducting the war on terrorism.

One of the more salient examples of Asian-Pacific trilateralism in recent years is the security cooperation that the United States and Japan have pursued with Australia and with India. The strategic significance of these cooperative ties exists in (a) the maintenance and reinforcement of an international order that is conducive to the preservation of liberty, democracy, market economy principles, and other common values; (b) the continuance of US commitments or military presence in the region; (c) the enhancement of systems for multilateral cooperation; (d) the maintenance and coordination of balance of power; and (5) the ability to effectively deal with new threats and diverse situations.

In May 2005, Secretary of State Rice suggested that trilateral security dialogue between the United States, Japan, and Australia be elevated to the ministerial level. This recommendation led to the first ministerial meeting of the Trilateral Strategic Dialogue, which was held on March 18, 2006, in Sydney between Rice, Australian Foreign Minister Alexander Downer, and Japanese Foreign Minister Taro Aso. The meeting produced the Australia-Japan-United States Trilateral Strategic Dialogue Joint Statement, which contained promises to cooperate in ad-

dressing a broad spectrum of security challenges, such as resolution of nuclear development issues in North Korea and Iran, counterterrorism, prevention of WMD proliferation, democratization of Myanmar, stabilization of Pacific island countries, and containment of major pandemics. The Japan-Australia Joint Declaration on Security Cooperation issued on March 13, 2007, likewise pledged to strengthen trilateral cooperation with the United States. In the following April, the three sides held a bureau chief-level meeting to discuss trilateral cooperation and other goals. Later in the year, they reaffirmed their intention to trilaterally cooperate in regional and global security issues during a June 2 conference between their defense ministers, and a September 8 breakfast meeting between their heads of state. On October 17, the three nations engaged in their first-ever trilateral military exercises, which included P-3C Orion flights.

Advances have also been made in US-Japan-India security cooperation in recent years, as both the United States and Japan have sought to broadly strengthen their relations with India as a strategic partner sharing common values. Their approaches to India have produced solid results, such as the three nations' first joint naval exercise off Japan's Boso Peninsula on April 16, 2007, and their participation in "Malabar 07-2," a joint naval exercise held in the Bay of Bengal from September 4 to 9 along with Australian and Singaporean naval units.

The biggest problem surrounding the United States and Japan's trilateral security cooperation with Australia and with India is the risk that Beijing could perceive the cooperation as an attempt to encircle or contain China. In order to avoid that risk, it is important for the United States and Japan to maintain the transparency of those partnerships, and to boost their efforts to involve China in trilateral arrangements and multilateral security cooperation.

(3) Responding to the DPRK Nuclear Issue

In the past several years, the biggest security challenges for the United States have been the situation in Iraq, the war on terrorism, and Iran's nuclear development program. Compared with these issues, the problem of North Korean nuclear development has held a relatively low position on Washington's list of policymaking priorities. Nevertheless, this problem represents a critical concern, as it not only poses a serious threat to the security of US allies Japan and South Korea, but also contravenes efforts against WMD proliferation. The United States is particularly apprehensive about the risk of North Korea transferring nuclear weapons and materials to other countries or non-state actors, and the danger that the growth of the threat posed by the DPRK's nuclear and ballistic missile capabilities could provoke a nuclear arms race among neighboring countries. According to a report released by the Atlantic Council Working Group on North Korea in April 2007, the US strategic goals pertaining to the DPRK nuclear issue should be as follows: (a) denuclearizing the Korean Peninsula and curtailing the threat of North Korean nuclear proliferation; (b) establishing regional peace and stability while avoiding a war on the Korean Peninsula; (c) transforming the behavior of the North Korean regime; (d) enhancing Japanese security; and (e) strengthening the US-Korea alliance. The Bush administration's DPRK policy, which coincides with these goals in many respects, radically shifted from a hard-line approach to an openness toward dialogue in late 2006 and early 2007. As a result of this change, new developments occurred in the Six-party Talks throughout 2007.

During his first term, President Bush referred to North Korea as a member of an "axis of evil" in his January 2002 State of the Union address, and his administration refused to hold official bilateral talks with Pyongyang, instead insisting on multilateral diplomacy as the sole channel for problem resolution. Rather than taking the leadership role of the Six-party Talks, the Bush administration counted on and encouraged China's involvement as a constructive leader. In Bush's second term, Secretary of State Rice had Christopher Hill, assistant secretary of state for East Asian and Pacific Affairs, try to feel out North Korea's intentions. While continuing to stress multilateral diplomacy, Hill called upon North Korea to implement a "complete, verifiable, irreversible dismantlement of its nuclear program," and tenaciously pursued negotiations aimed at resolving the nuclear issue. However, Rice's reference to North Korea as an "outpost of tyranny" in her Senate confirmation hearing strongly antagonized the country's

government, which then embarked on a series of actions that disconcerted the international community. For instance, the DPRK declared in February 2005 that it possessed nuclear weapons and that it would boycott the Six-party Talks indefinitely, and in the following May announced that it had finished unloading 8,000 spent fuel rods from a graphite-moderated nuclear reactor it had put back into operation. Although the Six-party Talks restarted in July of the same year, two months later the US Department of the Treasury accused the Banco Delta Asia (BDA) in the Macao Special Administrative Region of China of engaging in money laundering and other illicit financial activities on behalf of the DPRK. Financial authorities in Macao responded by freezing $25 million in North Korean assets at the BDA, sparking a strong backlash from Pyongyang. On July 5, 2006, the DPRK test-launched several ballistic missiles, and declared on October 9 that it had conducted a nuclear test. As these events indicate, the Bush administration attempted to resolve the nuclear issue by avoiding formal bilateral talks with North Korea and instead looking to China to play a constructive role in multilateral diplomacy, but this approach only led to a deterioration of the situation.

In order to break this deadlock, the Bush administration radically changed its tack in late 2006 and early 2007 by expressing willingness to formally engage in direct bilateral dialogue with North Korea. This shift, however, was only a switch in tactics, and did not represent a change in the US strategic goal of having North Korea undertake a "complete, verifiable, and irreversible" abandonment of its nuclear program. Through Chinese mediation, Hill met with North Korean Vice Foreign Minister Kim Kye Gwan on October 31, 2006, just three weeks after the DPRK announced its nuclear test. Both sides agreed to return to the Six-party Talks, which restarted in the following December after a hiatus of nearly thirteen months. Hill and Kim Kye Gwan met again for bilateral talks in January 2007 in Berlin, where they reached a general agreement on initial actions toward denuclearization of North Korea. The members of the Six-party Talks then reconvened in Beijing on February 8, and formally adopted the agreement on February 13. The Bush administration's change of approach toward North Korea was shaped by several factors, including: (a) the desire to prevent North Korea from carrying out additional nuclear tests; (b) the hope of producing diplomatic success before the end of its reign in 2008 in order to repair a legacy tarnished by the mired situation in Iraq and the Republican defeat in the midterm Congressional elections; and (c) the emergence of Rice and Hill's diplomatically minded

approach as hard-line influence on the administration diminished with the departure of Defense Secretary Rumsfeld and Robert Joseph, the National Security Council's (NSC) senior director for proliferation strategies, counterproliferation, and homeland defense.

The agreement adopted on February 13 by the Six-party Talks members reaffirmed the goal of denuclearizing the Korean Peninsula and included the following pledges: (a) North Korea would shut down and seal within sixty days the Yongbyon nuclear facilities, including the reprocessing facility, and invite back IAEA personnel; (b) North Korea and the United States would start bilateral talks aimed at moving toward full diplomatic relations, and the United States would begin the process of removing the designation of the DPRK as a state-sponsor of terrorism and advance the process of terminating the application of the Trading with the Enemy Act with respect to the DPRK; (c) North Korea and Japan would start bilateral talks aimed at normalizing their relations; (d) North Korea would be provided with the equivalent of 50,000 tons of heavy fuel oil (HFO) in energy assistance for shutting down and sealing its nuclear facilities; (e) North Korea would be provided with up to the equivalent of one million tons of HFO (including the initial 50,000 tons) in energy and humanitarian assistance for declaring all nuclear programs and disabling all nuclear facilities during the period of the initial actions phase and next phase; (f) the parties would establish working groups for denuclearization of the Korean Peninsula, normalization of DPRK-US relations, normalization of DPRK-Japan relations, economy and energy cooperation, and Northeast Asia peace and security mechanism. Some observers have perceived a problem in that even though the September 19, 2005, joint statement of the Six-party Talks clearly stated that North Korea would abandon "all nuclear weapons and existing nuclear programs," the February 13, 2006, agreement did not expressly mention the DPRK's existing nuclear weapons and materials, nor the DPRK's development of nuclear weapons through uranium enrichment, which wrecked the framework agreement created between the United States and North Korea in 1994. Another problem pointed out is that the February 13 agreement defines as a next-phase action the "disablement" of the nuclear facilities, rather than their "dismantlement."

Once the February 13 agreement was adopted, the international community's attention focused on whether North Korea would proceed with the initial actions of shutting down and sealing the Yongbyon nuclear facilities within sixty days. In

order to spur along the process, the United States announced on March 14 that the freeze on North Korean funds in the BDA was being partially lifted. During the following round of the Six-party Talks, which began on March 19, the DPRK representative stated that it was necessary to confirm whether all the BDA funds would actually be released, and that the early and complete return of all the funds was a condition for North Korea's implementation of the initial actions. However, the transfer of the funds hit a technical snag that led to a large delay in the execution of the initial actions. After the total $25 million in funds were transferred to North Korea in mid-June via the Federal Reserve Bank of New York and the Central Bank of the Russian Federation, Pyongyang announced that it would invite an IAEA delegation to North Korea. Assistant Secretary of State Hill made a surprise visit to Pyongyang on June 21, and reaffirmed with his counterpart the understanding that North Korea would quickly implement its initial actions. Both sides also confirmed the state of DPRK preparations to carry out the second-phase actions of completely declaring all its nuclear programs and disabling all its existing nuclear facilities. On June 25, North Korea confirmed that the transfer of all its funds from the BDA had been completed, and declared that it would proceed with implementation of the initial actions. It finally started the process of shutting down and sealing the Yongbyon nuclear facilities on July 14, three months behind the original schedule. Global attention then shifted to whether North Korea would carry out the second-phase actions of completely declaring all its nuclear programs and disabling all its existing nuclear facilities.

On July 18, ahead of the reopening of the Six-party Talks after a nearly four-month interlude, Hill said that one of North Korea's second-phase actions would be to comprehensively declare all its nuclear programs, including uranium enrichment programs, and that another action would be to disable its nuclear facilities. He also indicated that the parties understood that they would try to have

those actions implemented by the end of the year. The Press Communiqué of the Head of Delegation Meeting of the Sixth Round of the Six-Party Talks stated that the aforementioned five working groups would be convened before the end of August, and that the parties would meet in early September to work out the roadmap for the implementation of the general consensus, and then hold a foreign ministerial meeting in Beijing as soon as possible. However, the parties gave up the idea of setting a deadline for completion of the second-phase actions.

Speaking at a news conference following a meeting of the Working Group on Normalization of DPRK-US Relations in Geneva on September 1 and 2, Hill announced that North Korea had agreed to make the complete declaration of all its nuclear programs and the disablement of its nuclear facilities before the end of the year. The US State Department has begun to move toward normalization of relations with the DPRK, based on a four-phase process: (a) removing the designation of North Korea as a state-sponsor of terrorism; (b) terminating the application of the Trading with the Enemy Act to North Korea; (c) transitioning to a new treaty on the Korean War armistice; and (d) establishing diplomatic offices in North Korea. It is now possible that the State Department will repeal the Trading with the Enemy Act sanctions and remove North Korea from the list of state-sponsors of terrorism, provided that North Korea disables its nuclear facilities.

As the Six-party Talks process rolled forward, President Bush met with ROK President Roh Moo-hyun on September 7 on the sidelines of the APEC summit in Sydney, and signaled his intent to bring the Korean War truce to a conclusion with a peace treaty if North Korea were to become verifiably denuclearized. On September 28, Bush authorized $25 million to be spent on 50,000 tons of HFO as energy assistance to the DPRK.

The October 3 joint statement of the Six-party Talks outlined several actions to be taken, including the following: (a) North Korea would begin within two weeks the process of disabling the five-megawatt reactor, fuel reprocessing plant, and fuel rod fabrication facility at Yongbyon, and would complete that process by December 31, while the United States would lead the disablement activities, provide the initial funding for those activities, and lead an expert group to the DPRK within the next two weeks to prepare for disablement; (b) North Korea would declare all its nuclear programs by the end of the year; (c) North Korea would refrain from transferring nuclear materials, technology, or know-how; (d) the United States would recall its commitments to begin the process of removing

the designation of the DPRK as a state-sponsor of terrorism and advance the process of terminating the application of the Trading with the Enemy Act with respect to the DPRK, and would fulfill its commitments to the DPRK in parallel with the DPRK's actions based on consensus reached at the meetings of the Working Group on Normalization of DPRK-US Relations; (e) Japan and North Korea would work toward normalizing their relations; and (f) North Korea would be supplied with assistance up to the equivalent of one million tons of HFO (inclusive of the 100,000 tons already delivered). The key point worth noting here is that North Korea consented to the facility disablement process being led by United States. The termination of plutonium production at the three targeted facilities represents a significant step forward in the United States' strategic goal of denuclearizing North Korea. However, the outlook remains murky with regard to whether the DPRK will become totally denuclearized through the disablement of nuclear facilities outside Yongbyon, the declaration, termination, and verification of uranium enrichment programs, the abandonment of existing nuclear weapons and materials, and the resolution of suspicions about DPRK nuclear material transfers to Syria and elsewhere. At the same time, it is not clear whether successful resolution will be achieved for the problem of North Korean abductions of Japanese citizens, or for issues pertaining to DPRK ballistic missiles and biological and chemical weapons.

Eager to produce diplomatic results before the end of its reign, the Bush administration may carry through with its conditional promise to begin the process of removing North Korea from its list of state-sponsors of terrorism and terminating the Trading with the Enemy Act's application to North Korea, and it may simultaneously engage in talks on the construction of a peace regime on the Korean Peninsula as it pursues the issue of North Korean denuclearization. However, a prerequisite for the creation of a peace treaty to officially end the Korean War is North Korea's complete, verifiable, and irreversible dismantlement of its nuclear program. As such, it will be difficult to build the Korean Peninsula peace regime and a mechanism for Northeast Asian peace and security unless the process of denuclearizing North Korea is completed.

3. The Outlook for US Strategy on Asia

In February 2007, the Center for Strategic and International Studies (CSIS) released *The US-Japan Alliance: Getting Asia Right through 2020*, (hereafter,

"second Armitage report"), a report prepared by former Deputy Secretary of State Richard Armitage and former Assistant Secretary of Defense for International Security Affairs Joseph Nye. This came six years after the US National Defense University's Institute for National Strategic Studies (INSS) issued *The United States and Japan: Advancing Toward a Mature Partnership* (hereafter, "first Armitage report") in October 2000. Compiled by a bipartisan group of Japan experts led by Armitage, the earlier report had a major impact on national security debate in Japan, as it sought to "apply consistency and strategic direction" to the US-Japan alliance—which had seemed to be adrift in the late nineties—and provided policy recommendations premised on the alliance's position as the core of US strategy on Asia.

While the first Armitage report attracted strong attention in both Japan and the United States, the second Armitage report was ignored by and large by the English-language media, despite heavy coverage by the Japanese media. This was likely the result of the shift in US interest from Asia to the war on terrorism, which was being fought mainly in the Middle East. Furthermore, the first report had been published by the INSS, a Department of Defense think tank, while the second one was released by the CSIS, a civilian think tank, implying that the first was a more solid reflection of the US government's basic strategic outlook on Asia. Nevertheless, the second report is meaningful in that it too represents a consensus of Japan experts, including not only Armitage and Nye, but also Kurt Campbell, former deputy assistant secretary of defense for Asia and the Pacific, and Michael Green, former NSC senior director for Asian affairs.

The timing of the second Armitage report's publication in February 2007 can be ascribed to several factors, such as the need to re-examine the US-Japan alliance in the context of the various changes that had occurred in the Asian security environment during the preceding six years—the rise of China and India, radical Islamic fundamentalism, terrorism, WMD proliferation, economic globalization, and so on—as well as a desire to restore interest in the importance of Asia and the US-Japan alliance following a period of neglect that resulted from the Bush administration's preoccupation with Iraq and terrorism.

The second Armitage report analyzes Asian strategy challenges up to 2020 in light of the security environment changes of the preceding six years, and presents policy recommendations for four different categories: (a) recommendations for Japan; (b) recommendations for the US-Japan alliance; (c) recommendations for

regional policies; and (d) recommendations for global policies.

In contrast with the first Armitage report's focus on the ideal US-Japan relationship for dealing with the post-Cold War security landscape, the second one offers a vision for creating a new world order based on "a balance of power that favors freedom," based on a perspective that encompasses Asia as a whole, including India, Russia, and Australia. The fundamental insights underpinning that vision are as follows: (a) the world's strategic center of gravity is being driven toward Asia by such trends as the rise of China and India, and the economic resurgence of Japan and Russia; (b) Asia's growth and stability depend on cooperation between the major powers Japan, the United States, China, Russia, India, and Europe; (c) the United States is a Pacific power that continues to hold commitments, capabilities, and leadership with regard to Asia; and (d) both the United States and Japan are close allies that share many democratic values, and their alliance is the keystone of the US strategy on Asia.

The second Armitage report defines five challenges that Japan should pursue on its own: (a) strengthening its national security institutions and bureaucratic infrastructure to facilitate the most effective decision making possible; (b) Constitutional debate that enables Japan to play a bigger role as a US ally, while recognizing that the Constitution imposes certain constraints on their combined capabilities; (c) enactment of legislation that would allow for the overseas deployment of the SDF based on certain conditions; (d) securing financial resources to modernize and reform the Ministry of Defense and the SDF; and (e) efforts to become a UNSC permanent member.

As for challenges to be jointly addressed by the US-Japan alliance, the report makes three suggestions: (a) both countries should bolster their military and security cooperation; (b) US senior officials should reiterate and stress the global nature of the alliance, and US commitments to Japan's defense, including defense from nuclear attack; and (c) both sides should commence negotiations on a comprehensive free-trade agreement. With regard to the first area, strengthening of military and security cooperation, the report lists several concrete proposals in its annex, such as: (a) enhancing both countries' capabilities to respond to urgent crises; (b) improving Japan's capabilities in peacekeeping, humanitarian assistance, disaster relief, and hostage rescue; (c) considering opportunities for expanding missile defense and air defense through joint development of next-generation Aegis vessel-related systems; (d) strengthening of intelligence sharing; and (e)

deploying of F-22 fighters to Japan by the United States, and ensuring the Air Self-Defense Force's access to the most advanced US fighters.

Looking at the US-Japan alliance in the context of the Asia region, the report recommends eight actions that the United States and Japan should take: (a) closely coordinate their approach to China, seek trilateral cooperation in fields where gains can be made, and guide China on the way to becoming a responsible stakeholder; (b) strengthen their respective strategic partnerships with India and seek opportunities for trilateral cooperation; (c) work to expand cooperation in security, keeping a near-term focus on the Korean Peninsula, and pursue problem-solving efforts for Northeast Asia along with the other major regional powers (China, South Korea, and Russia); (d) expand relations with an integrated ASEAN; (e) strengthen their trilateral cooperation with Australia; (f) maintain their leadership position in policymaking on sea lane security; (g) begin preparing for the 2010 APEC summit in Tokyo; and (h) build complementary partnerships with pan-Asian forums like the East Asia Summit (EAS), and with such trans-Pacific organizations as APEC and ARF.

With regard to the global policies, the report proposes five courses of action for the US-Japan alliance: (a) strengthen energy cooperation; (b) strive to tackle climate change issues; (c) counter extremism; (d) alleviate poverty and infectious diseases; and (e) sustain their commitments to such global institutions as the World Trade Organization (WTO), International Monetary Fund (IMF), World Bank, and World Health Organization (WHO), and exert leadership with respect to those organizations. Moreover, this part of the report states that the expression "global war on terrorism" is a misnomer, and is instead a "fight against extremism only a small portion of which can be addressed by military means."

The first Armitage report declares that over the past 150 years, "US-Japan relations have shaped the history of Japan and Asia—for better or for worse," and asserts that the way that the United States and Japan respond to the challenges of the new century individually and as alliance partners will "define significantly the security and stability of the Asia-Pacific as well as the possibilities of the new century." The second Armitage report continues to endorse that conclusion, and underscores the need for the United States and Japan to put more effort into their alliance. In addition, it urges both partners to seek stronger trilateral ties with China, contending that the three-way relationship is the foundation for stability in East Asia.

As indicated earlier, the second Armitage report does not exactly mirror the US government's basic strategic outlook on Asia. Nevertheless, analysis of it as the consensus of Japan experts leads to the conclusion that there are five policy challenges that should be addressed by the United States and Japan in the coming years, as described below.

First, despite the view of Armitage and other Japan experts that the US-Japan alliance should continue to form the core of US strategy on Asia, there is a growing opinion in the United States that emphasis be placed instead on US relations with China and India. This trend can be seen in an essay that Democratic presidential primary candidate Hillary Rodham Clinton wrote for the November-December 2007 issue of *Foreign Affairs*, in which she held that the US relationship with China "will be the most important bilateral relationship in the world in this century." In the larger strategic context of China and India's rapid emergence as major powers, the United States may begin to question Japan's reliability as an ally if the latter fails to play an active part on the international stage and instead allows its roles and capabilities in diplomacy and security to weaken, or causes a substantial deterioration in its relations with neighboring countries. In such a turn of events, the United States may begin to explore the possibility of switching the time-honored US-Japan alliance and other traditional partnerships to so-called "coalitions of the willing" and, perhaps in the more distant future, partnerships with China and India.

Second, there is concern that US and Japanese interests may begin to diverge with respect to their perceptions of the situation in the Korean Peninsula. While their interests coincide on the issues of denuclearizing North Korea and nonproliferation, it is possible that Washington could decide that US-Japan security interests would not be undermined by the presence of an extremely limited nuclear arsenal (such as a couple of warheads) in the DPRK or a future unified Korea, as long as that country did not possess ballistic missiles capable of reaching the United States. However, since there is no guarantee that the DPRK or a unified Korea would act rationally in a crisis, even a limited nuclear arsenal would naturally be perceived as a grave threat by Japan.

Third, while it is correct to assert that pursuit of strategic ties with fellow democracies Australia and India is a key task in creating a balance of power that favors freedom, there is the danger that Beijing, as mentioned earlier, would interpret such movements as an attempt to encircle or contain China. Therefore, it

is important for the United States and Japan to also make efforts at involving China in trilateral and multilateral security cooperation. The second Armitage report portrayed China as a security partner, claiming that in the context of energy security, "The United States, China, Japan, and India have a growing shared interest in improved maritime security." However, there needs to be an examination of the specific form that such partnering should take.

Fourth, although the second Armitage report defines solid US-Japan-China relations as a key to East Asian stability and presents a vision for constructing robust partnerships between the three, it does not lay out a comprehensive strategic roadmap for that goal. As such, the formulation of such a roadmap remains a challenge that needs to be addressed. In particular, it is to be hoped that the United States and Japan will work to engage China in trilateral or larger multilateral cooperation in energy security, climate change countermeasures, as well as humanitarian and disaster relief.

Last, with regard to the building of regional cooperation frameworks, the second Armitage report contrasts pan-Asian forums like the EAS with trans-Pacific organizations like APEC, and recommends that complementary relationships be created between both types, though it also places more emphasis on strengthening the latter type. This view is likely shaped by the authors' perception of the importance of sustained US involvement in Asian security and their concern about the potential emergence of an exclusionary, China-led regional framework. However, the recent lessons of Iraq, Afghanistan, and the Six-party Talks on the North Korean nuclear issue show that it would be unrealistic to expect successful resolution of a host of Asian security challenges if responsibility for leadership is tasked to the United States alone. Accordingry, it is important for East Asian nations to take an active interest in leading efforts for resolving regional challenges, and seek to enhance their capabilities in that regard. This approach means that the major powers of Asia and the United States will share responsibility for security. Furthermore, there is the potential that future advances in East Asian economic integration will foster a shared Asian identity and spread the ideals of liberty and democracy, thereby producing the vision and dynamism for evolving into a viable East Asian community. By promoting such trends toward regional cooperation, the United States and Japan could expect to earn security benefits for themselves and the region, and hence the possibilities in this regard should be explored as one direction for future US-Japan relations.