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AN EMERGING EAST ASIA AND THE NEXT AMERICAN ADMINISTRATION

SESSION ONE: EMERGING STRUCTURES OF INTERNATIONAL RELATIONS IN EAST ASIA

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Panel 1: Emerging structures of international relations in East Asia

Zhu Feng, chairman
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China increasingly active, America increasingly distracted

Ding Xinghao
President, Shanghai Institute of American Studies; CNAPS Advisory Council

Forms of East Asian regionalism

Qin Yaqing
Executive Vice President, China Foreign Affairs University

Non-traditional security issues

Wonhyuk Lim
Fellow, Korea Development Institute; CNAPS Fellow 2005-2006

Security dilemmas in Asia

Richard Bush
Senior Fellow, Foreign Policy
Director, Center for Northeast Asian Policy Studies, The Brookings Institution

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John L. Thornton, chairman
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Chang Ka Mun
Manager Director, Li & Fung Development (China), Ltd.; CNAPS Advisory Council

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Senior Fellow, Economic Studies Program, The Brookings Institution

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Development Research Center, State Council of the People's Republic of China
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Li Zhaoxing
Former Minister of Foreign Affairs, China
Professor, Peking University

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Tom Mann
Senior Fellow, Governance Studies Program, The Brookings Institution

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Wang Jisi, chairman
Director, Center for International and Strategic Studies, Peking University

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Ivo Daalder (remarks read by Richard Bush)
Senior Fellow, Foreign Policy, The Brookings Institution

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Anne-Marie Slaughter
Dean, Woodrow Wilson School of Public and International Affairs, Princeton University

P R O C E E D I N G S

WANG JISI: We all want to see how East Asia will emerge from the horizon. And we all want to know who will be the next U.S. president. And we all want to know what kind of U.S. foreign policy this next administration will carry out. I'm sure that by 4:00 this afternoon, we will probably have all these questions answered.

This conference is co-sponsored by The Brookings Institution's Center for Northeast Asian Policy Studies, also known as CNAPS, and our center. There are so many people in this hall who deserve our recognition, but I see that the one I want to introduce is missing from here, Mr. Thornton. Is Mr. Thornton here?

RICHARD BUSH: I haven't seen him yet. He'll be here.

DR. WANG: So, I will introduce him later on. And I would also like to invite Dr. Richard Bush for a few remarks. Dr. Richard Bush is well respected in China and elsewhere for his knowledge about U.S.- East Asian relations, and in particular U.S.-China relations over the Taiwan issue. Dr. Bush is director of CNAPS, and I'm working under him on the CNAPS advisory board. So, he's my boss. So, without further ado, Dr. Bush.

DR. BUSH: Thank you, Dean Wang. It's our great pleasure, those of us who come from Brookings, to be here today. We are very pleased to be able to participate in this conference, and we are deeply grateful to Wang Jisi and his entire staff for all the outstanding preparations that you've made for this conference.

And we hope that the exchange of views and information that takes place today will make a contribution to our collective understanding of the trends of East Asia and what will happen with the new U.S. administration and the policies.

This conference is one in a series that my center, the Center for Northeast Asian Policy Studies, holds each year. It brings together many of the individuals who have been visiting fellows at the Brookings Institution over the years, and we're very happy to have many of them here today and happy to have many of them on the program as well.

So, we look forward to an outstanding conference. I'm very grateful that so many people have come today. And I think that we should get started. Thank you very much.

(Applause)

ZHU FENG: We will have our first session very quickly. Please would the panelists in this session come up? Good morning, ladies and gentlemen. My name is Zhu Feng, the Deputy Director of Center for International and Strategies Studies here at

Beida. We are so happy to have the Brookings Institution here with us to lead the panelist section on a couple of very timely and significant topics. As Dean Wang said, we need some answers. We also need a fruitful exchange of views.

The first session is about the emerging structures of international relations in East Asia. We are very happy to have a very strong and esteemed lineup for the panel. All the panelists are very well known in their expertise. So, the first speaker in this session is Professor Ding Xinghao. He used to be the senior research fellow of Shanghai Institute of International Studies. Now, he's leading a Shanghai-based NGO focused on international relations. Professor Ding is the president of the Shanghai Institute of American Studies. Please.

DING XINGHAO: Good morning. I am very much honored to be here to speak to this distinguished audience this morning. I have been asked to speak about how China is increasingly active in East Asia and America increasingly distracted. Before I came to Beijing, I looked at the Oxford dictionary --- what does distracted mean? Kevin wrote me to say that I would be the first to speak on the panel and that I would establish a baseline for discussion. So, I'm afraid my remarks may be misleading to the following panel discussions. From this topic, I think China looks active but is not as active as many people imagine. And the U.S. looks distracted but still has a goal in mind which remains pretty big.

Let me first talk about America. I changed the order. A good point I want to state is that America remains the most influential power in East Asia, though its attention is diverted. For decades, the principal strategic goal of the U.S. has been that there should not be a single nation or a group of nations that dominates the Asian Pacific region, which, of course, includes East Asia.

To date, the U.S. is still the predominant power in East Asia. However, since the end of Cold War most nations have changed, to different extents, and have been especially transformed by globalization. Therefore, the economic, political, and security landscapes of this region have also changed remarkably. The eternal and unique diversity of East Asia brings about even more issues to be handled, more problems to be solved, all of which make things more complicated.

For example, on the North Korean nuclear issue, progress has been made and the U.S.-North Korean relationship has improved, but whether this crisis is over, whether this nuclear issue would be solved for good by dismantling the nuclear device, remains uncertain.

Another point is U.S.-Japan relations. Differences, if not quarrels, often happen, though the two are close allies. Most recently, the U.S. has not been happy with the expiration of the Self Defense Force mission in the Indian Ocean. On the other hand, Japan is dissatisfied with U.S.-North Korean interactions, specifically the rapid improvement of their relations without a solution of the hostage problems between North Korea and Japan.

The third point is U.S.-South Korean relations. This issue was discussed somewhat I think last May at the CNAPS conference in Tokyo. One of the speakers talked about U.S.-Seoul relations and described them not as the worst, but as pretty sour. I don't want to draw out the details.

And there is the Taiwan problem. The reality is that Chen Shui-bian is determined to have a referendum for Taiwan's entrance into the United Nations. It's very difficult for the Bush administration to handle.

Finally, my last point, that America's relations with other countries are affected, because America's attention is fixed upon whether China is beginning to or will challenge America's predominance in East Asia. Therefore, to some people, America's attention is diverted and its efforts are diverted.

Then comes the point of the emerging—but not threatening—new international relations fora in East Asia. There are a number of mechanisms in East Asia, which have also diverted America's attention. America favors APEC, Shangri-La Dialogue, and 10 Plus 6; the other nations are in favor of the ASEAN Summit, 10 plus 1, 10 plus 3. So, there are differences, but I believe the U.S., China, and other nations still can get along. Then, counter to this last point, America is concerned. Some Americans have observed that China has taken advantage of 9/11 and Iraq to increase its economic weight and military capability to try to challenge the U.S., and, in particular, to face America in East Asia. I think this is a misconception.

Now, let me come to the role of China. As I said earlier, China is active but not as active as people imagine. First, China is relatively active. China used to be viewed by foreign countries, especially in the West, as re-active in managing foreign relations and in the diplomatic arena. Today, China has become a little more pro-active, but only in comparison with its past. There are some factors or driving forces behind this change.

A) Thanks to economic globalization and its contacts with the rest of the world and western countries in particular, which gave China an opportunity to accomplish some corrective progress in the past 10 years, China has gained some confidence.

B) China has been encouraged and asked to play a more active role in the region and at the global level as well. In a 2005 address, former Deputy Secretary of State Robert Zoellick called for China to be a responsible stakeholder. Acting on its own interest, as well as being called upon by America, China has taken positive steps in managing its foreign relations in this region and in world affairs. The North Korean nuclear issue and Darfur issue in Sudan are good examples.

C) China is active in national defense. In the interest of its defense, China has made efforts to improve relations with neighbouring countries, even including Japan,

so that there would be a peaceful environment for China to continue its economic development.

D) China and America have different interests and ideas for methods of economic cooperation in East Asia. China will not reject ideas of others. China believes different methods are complementary in this region, rather than exclusive. So, I agree with the comments on this topic. I hope I did not disappoint my friend, Richard, and his colleague, Kevin. Thank you.

(Applause)

DR. ZHU: Thank you, Professor Ding. Our next speaker is Professor Qin Yaqing. I'm sure he's well known to most of you. He is a leading IR theorist in China, a big promoter of the theory of contending constructivism. Sorry I use the word contending constructivism because in China we also have a very contending theoretical debate on which one was more likeable, preferable in China. Please, Professor Qin.

QIN YAQING: Thank you. Thank you, Mr. Chair. And also, I would like to thank Peking University and Brookings.

Some information about theory, I'm not talking about theory today. My homework is the forms of East Asian regionalism, so I'm tied to my presentation today. East Asian regionalism has been largely successful so far. We've all seen the great achievements through this process. Since the 2005 East Asian Summit, many questions have come up, debates, discussions about the future of the East Asian regionalism. And the big question is, whither East Asia? Questions include: Could East Asian regionalism be closed and exclusive? Could there be a tense competition for leadership of the regionalism process, especially between China and Japan? And also, will the U.S. role be reduced, especially when China is growing.

With this in mind, I argue that East Asian regionalism at best should be process-oriented. It means that at this stage of regional development, the most important job is to keep on with the process that started decades ago.

Ten years of regional cooperation has brought about peace and development, and has encouraged nations to make further efforts throughout the community. Despite that, the distrust remains strong among the regional nations, and the region itself largely dominated by a western [inaudible] culture.

First, I would like to explain further the process of regionalism. This is the basic form. It's different from Europe. The most important feature of East Asian regionalism is the significance of this regional process itself.

The goal of East Asian regionalism was set at the 2004 "10 Plus 3" Summit, that is building an East Asian community. A decade of tenacious efforts has led to an important achievement, that is, the creation of this process of regional cooperation.

It is true that the initial dynamic for this process is economic in nature. And it is also true that most tangible achievements in the region are largely functional. At the same time, the process produces dynamics of its own. Norms of cooperation have been spreading rapidly, reaching out to include and to socialize the major powers in the region.

After 10 years of cooperation, East Asian regionalism faces new problems, like the questions I just mentioned. At this crucial moment, it is important that the regional process itself is preserved and promoted. If the process is maintained, the cooperation will continue and a new platform for developing common interests and spreading cooperative norms will be created. Otherwise, the regional cooperation would get off track.

To make this possible, we should not treat the multiple and multilayered mechanisms and channels existing in this region as a negative factor, rather, as important parcels of this process. Naturally, being there at this stage of East Asian regionalism, if we look at the development of East Asian regionalism with a menu of different possibilities in mind—10 Plus Three, 10 Plus One, East Asian Summit—we can see that all these different channels and methods are products of this process. And they complement each other well.

Second, open regionalism. Open regionalism is both shaped by the regional history and present necessity. Keeping the cooperative process up means taking the process forward. First, we're thinking about history. The openness of East Asian regionalism is shaped by the U.S. security system, so the United States is playing, and has been playing, a very important role in this respect.

And also, the openness of East Asian regionalism is shaped by its market oriented nature. East Asia has so many channels of economic connections with the world, so you cannot make it closed. Also, the internal process of East Asian integration with ASEAN at the core, parallels the development of the region's numerous linkages to the outside world. If you want to keep the process up, this openness is a plus, rather than a minus.

The next point I would like to talk about is ASEAN leadership. This has been a very big topic recently. I argue that keeping up the regional process requires the continued leadership of ASEAN. Recently, there has been doubt about ASEAN leadership of East Asian multilateral regionalism.

Some use the EU as the model, saying that we should have major powers playing the leading role. Some have begun to talk about the regional power transition and rivalry between China and Japan in the regional process. Some cite to China, Japan, and South Korea as the three major giant economies in the region, accounting for more than 90 percent of the GDP

It is true that China, Japan, and also South Korea are large and important nations in the region, but none of them can play the leading role in this process at present. China, Japan, and South Korea are late comers. China and Japan have still a great deal of distrust around them.

So, ASEAN is not waiting. They're very much reluctant to hand over the leadership to China and Japan, the two giants in region. So, realistically speaking, ASEAN is the only qualified driver in the regional process if you want to take the regional process on to make regional integration possible and to work.

An adoption of the chartered efforts to enhance the cohesiveness of ASEAN are encouraging. Efforts should also be made by other actors like China and Japan to support a more cohesive ASEAN, so that the regional process will continue to move ahead.

The last point I would like to make is about the U.S. as an actor in the equation. If we want to keep the process up, we need more active participation from the United States in the East Asian regional process. The United States is outside East Asia, but it's a very special outside factor.

The U.S. initially did not support East Asian regionalism very much. In the first years after the Cold War, the United States clearly stated that its policy was not to support regionalism.

With the rise of China, some people are thinking of the possibility of China replacing the United States in terms of influencing the region. At present, the United States's policy seems to me somewhat unclear. While it is not opposed to East Asian multilateralism, it is at least not actively supporting of it.

The United States has two major concerns. Its first concern is whether East Asian regionalism would or should replace or threaten the U.S. bilateral system. Second, whether China would dominate the regional multilateral process. The United States is very worried about this. If East Asian regionalism continues to go on like this, it will diminish the role of the United States in the region.

These worries have made the United States quite hesitant. And its policy today is still unclear, and far from active participation. One decade's practice has proven that East Asian regional integration can bring about stability in the region and also prosperity, which is in the interest of the U.S.

So, it is time that the United States joined in to work with the key actors in the East Asian regional process and started making more constructive contributions to the regional integration process. Especially for the next administration, I think it's a question to think about seriously. Thank you very much.

(Applause)

DR. ZHU: Thank you. I think America's participation in the regionalization of East Asia is also very important. Now, we just heard the views of two Chinese speakers. Let's move on to Korea's view. So, the third panellist is Dr. Lim from KDI, the Korea Development Institute. And he is also a fellow of the Korean National Strategy Institute. Dr. Lim is a Stanford graduate and also had a lot of publications. So, please.

WONHYUK LIM: Thank you. My presentation is not necessarily a Korean perspective. I was asked to give a talk on non-traditional security challenges for East Asia and beyond. Non-traditional security challenges, as you know, are sort of a mixed bag. In my presentation **[link to PPT presentation here]** I will start by defining and conceptualizing these risks, then move on to historical background and then I'll talk about non-traditional security challenges and responses in East Asia, cover key issues in responding to these challenges, and finally, briefly touch on the impact of these non-traditional security challenges of international relations.

As you know, non-traditional security challenges have to do with the survival and well being of people and states that arise primarily out of non-military sources. They are rooted in social, economic, and cultural conditions. They're traditional in scope and instigated mainly by non-state actors.

Brookings's own Strobe Talbott played a big role in expanding the concept of security. And in the 1994 National Security Strategy of the United States, there's a clear statement about non-traditional security challenges. Not all security risks are military in nature. Transnational phenomena such as terrorism, narcotics trafficking, environment degradation, rapid population growth, and refugee flows also have security implications. That is a very clear statement.

One way to think about these non-traditional security challenges is to consider two critical elements, conceptual elements. And one has to do with a weak state's capacity relative to the scope and scale of the challenges it faces. I emphasize relative because non-traditional security challenges concern not just the problem of weak or failed states. When the scale and scope of the problems is large enough, it might overwhelm what we usually consider sort of normal states as well. The second conceptual element that is important is permeable borders in an increasingly integrated world transformed by globalization and revolution and so on. So, these two conceptual elements are important to remember when we talk about non-traditional security challenges.

Historically, although many seem to think that non-traditional security challenges are a post-Cold War construct, if you think about it, there were precedents during the Cold War period with regard to non-traditional security challenges. As we all know, during the Cold War period security discourse tended to focus on military security, interstate conflict and so on. Even during the Cold War, when we had [inaudible] in the

1970s, it became pretty clear that security involved challenges beyond the obvious military dimensions.

Also, as we think about the Helsinki process starting in the mid-1970s, there was a notion of expanded security, comprehensive common security that involved not only military security, but also cooperation in economic, scientific, anthropological, and environmental areas, as well as the human issues - people to people contact, human rights, and so on. At the time, there was a clear recognition that common security would require progress in all these areas. You can't just focus on military security. And in the post-Cold War period, as we know, events such as the Asian economic crisis, 9/11, Bali bombing, SARS, tsunamis, and global warming all tended to drive this notion of non-traditional security challenges.

I thought about presenting visual images of all these events—9/11, SARS, and the tsunami—and while they would have made a more colorful presentation, those are sort of depressing images, so I just stayed away from that.

In East Asia, we can think about non-traditional security challenges and responses along the following dimensions. I listed about 7 categories before, things like infectious diseases, natural disasters, trans-national crime, terrorism, poverty and refugee flows, economic crisis, environmental degradation, all of which are regarded as non-traditional security challenges. And I think it's kind of useful to categorize them and group them in the following way.

First, there are non-traditional security challenges that have to do with natural calamities. There are no clear human agents who are producing these natural calamities, things like infectious diseases, natural disasters. So, for example, in 2003, we had a SARS epidemic and now we talk about the possibility of an avian flu breaking out in East Asia. Regional responses have been as follows: ASEAN set up a fund for avian flu, which was not a big amount but is still useful; second, there was a declaration on avian influenza prevention, control, and response at the first East Asian Summit. So, things of that nature elicit regional responses. Natural disasters—obviously a clear example is the tsunami in 2004—and ASEAN again has come up with a regional response, regional catastrophe emergency simulation exercise.

The second group of non-traditional security challenges have to do with identifiable actors and tends to involve weak or failed states. Transnational crime driven by profit motives—things like piracy, narcotics, human trafficking, terrorism, poverty, and refugee flows that tend to be linked to ethnic issues as well.

I argue that the second group of non-traditional security challenges tends to require the greatest amount of security responses, because they tend to be linked to military risks as well, including transnational crime, terrorism, and refugee flows. Here we have interesting regional responses as well. For example, there was an ASEAN Plus Three ministerial meeting on transnational crime and in the wake of 9/11 and the Bali bombing, there was an ASEAN-U.S. joint declaration for cooperation to combat

international terrorism. And as we all know, the Shanghai Cooperation Organization tended to focus on the possibility of combating international terrorism as well. APEC also extended its mandate from economic and technical cooperation to regional non-traditional security issues as well. And finally for poverty and refugee flows, interest from an NGO, the ASEAN Trade Union Council, drafted a plan for an ASEAN social charter to narrow the development gap.

Finally, the third group of non-traditional security challenges has to do with human-made risks but more diffuse risks so they are not really associated with identifiable non-state actors like trans-national crime terrorism, economic crisis and environmental degradation. In fact, the Asian crisis of 1997 tended to create a sense of solidarity, a collective purpose among Asian countries, and led to the Chiang Mai Initiative. You can take almost a constructivist approach to regionalism, discussing the birth of ASEAN Plus Three coming right after the Asian crisis of 1997. And as for environmental degradation - forest fires in Southeast Asia and, yellow sand in northeast Asia have elicited regional responses as well.

Now, going back to the key conceptual elements, capacity and border control, I think non-traditional security challenges are complicated by the fact that they involve both domestic and global dimensions. Under domestic capacity, we can talk about infrastructure for public health and emergency relief, law and order, and most importantly the resolution of political, economic, and social discontent.

Although some people talk about the possibility of non-traditional security challenges leading to greater regional cooperation, a lot of non-traditional security challenges have to do with the lack of resolution of political, economic, and social discontent at home. So, it's a much, much tougher issue to tackle.

In addition there is the issue of border control. We should look at prevention, detection and screening, and containment of the problems. Naturally, these issues raise the problem of jurisdiction and sovereignty, because you can question external advice and guidance as you can characterize external advice and guidance as sort of interference in internal affairs and trans-national crime tends to be associated with corruption at home too. In order to tackle these problems, we have to deal with the issues of resources and governance as well.

Finally, what impact does the non-traditional security threat have on international relations? There's a school of thought that creeping institutionalism that deals with these non-traditional security challenges would eventually produce a regional community—a sort of process oriented view.

But, I don't know whether they really add up to that. One thing I would like to emphasize is that for traditional security threats amongst multilateral cooperation, you have security dilemma dynamics. So, when interstate conflict is your major consideration, you look at the possibility of balancing, alliance, and so on—the idea of collective security. And when a security dilemma becomes large enough, where mutually

assured destruction becomes a distinct possibility, even two warring sides can look at the possibility of cooperative security.

And one problem with traditional security threats in multilateral populations is that oftentimes attempts to do something about trans-national security threats within the framework of cooperative security are viewed as veiled attempts to constrain super powers. For example, if we talk about regional security cooperation in East Asia involving the United States, some Americans might interpret that as a veiled attempt to constrain U.S. power in this region.

In contrast, non-traditional security threats tend to provide more opportunities for cooperation. There's socialization, prophylactic problem solving, and they provide an easy common denominator for everyone. But at the same time, these problems tend to be transnational, not necessarily regional in scope. And it's not clear to me that creeping institutionalism will be enough to achieve comprehensive common security. In fact, I believe in sort of a Helsinki approach where the interested parties directly recognize that achieving comprehensive common security through military, economic, and human cooperation would be the wiser course to take. Thank you very much.

(Applause)

DR.ZHU: Thank you Dr. Lim for your very excellent presentation. But the controversy in this reading is that non-traditional security concerns divert attention from traditional security issues. ASEAN also made that point. They said that the ARF focuses too much on the non-traditional dimensions. In East Asia, traditional security deserves greater concern. Luckily, I think Richard also will just give us his insight in this field. I think there is no need of even a single word for the further introduction of Richard Bush. Please.

DR. BUSH: Thank you very much. I hope I'll provide some more insight. I've certainly learned something from the previous speakers. My assignment, which I gave myself, is to talk about a possible future for East Asia where there is suspicion, mistrust, hedging, and even the possibility of conflict among the different actors.

And this would occur in spite of the economic and social interdependence among states, which gives them obvious reasons for cooperation and in spite of the ongoing efforts to create regional multilateral institutions that Professor Qin spoke about so clearly, that should buffer friction.

I want to do this using the concept of the security dilemma. And I wish to note that some Chinese scholars have been using this concept with great insight and sophistication. I'm thinking of individuals like Feng Zhaokui and Jin Xide of the Academy of Social Sciences and Xia Liping of the Shanghai Institute of International

Studies. Although the concept is not perfect, I find their intents to apply it to the international relations of the Asia Pacific to be very impressive.

Now, what I'm offering here is a hypothesis. I don't want it to happen and I, by nature, am an optimistic person, but I think there's value in thinking about how things might go in a negative direction. Now, the essential elements of the classical understanding of the security dilemma are as follows. Number one, that the international system is Antarctic. That simply means there's no power up here to regulate the behavior of states and prevent conflict.

Number two, in an anarchic system, there exists the objective possibility that states can enjoy mutual security and cooperation, but there's no hegemony, no authority that requires them to do so.

Number three, each state must guard against the possibility that in the future another state will commit aggression against it. And at the same time, it cannot credibly persuade the other states that it itself is peaceful. Even though it is peaceful, it can't give 100 percent assurance to the other state that it's peaceful.

Each state's effort to prudently prepare to defend against aggression by the other is likely also to create the ability in itself to threaten the others. The more you strengthen yourself to defend yourself, the more you create the ability to commit aggression yourself. Others will see self-strengthening as a threat.

And many other states will acquire new capabilities and alliances as a defensive measure when they come to see the first state as hostile. And it's this interaction, rather than conflicting goals, that causes a downward spiral.

Now, there are many things that we could say about this concept. There are many distinctions that could be drawn. One has to do with the scope of the security dilemma. Does it apply to the whole security relationship among actors or does it just stem from their relationship over specific issues? I'll come back to that.

Some scholars argue that it's too restrictive to think of security dilemmas simply in terms of military capabilities and alliances. Some say that this perspective should be broadened to include the considerations of images, the lenses by which people look at the other state. Some might say that for China to look at Japan, what's important is not Japan's military capabilities, per se, but the memory of what Japan did here in the 1930s and 1940s. And that memory colors your perception of the capabilities that you believe that Japan is acquiring and so on. And so, this lends to a much more sophisticated understanding of the security dilemma.

Finally, I would say that it's very easy to assert that a security dilemma exists, but it's much harder to prove. Scholars are quick to say, for example, that there's a security dilemma between the United States and China, the United States and North Korea, China and Taiwan, and so on, but getting the evidence for these hypotheses,

particularly when it comes to the views of government leaders, which is a really key element of it, is not so easy.

Now, if we look at the current and potential security dilemmas in East Asia, there are quite a few to look at. First, there are those that involve North Korea. Now, for many observers, the basic story of the past 15 years is that the United States and North Korea could have had a cooperative outcome, but they were frustrated because of the mistrust that each felt towards each other, in addition to the negative mutual images.

The Six-Party Talks facilitated by China offer a process that includes mutual trust building and the chance of a cooperative solution. North Korea gives up its nuclear weapons, it receives economic assistance, it gets the normalization of relations with Japan and the United States, you get security assurances, and so on. That's a very good outcome.

Now, we all hope that North Korea accepts that bargain. And if that occurs, that will be good for U.S.-China relations. But in my personal view, that may be a hard bargain for North Korea to accept because of its lingering sense of insecurity. It looks out and sees a dangerous neighborhood, particularly with the presence of the United States which retains formidable military power in the region. It has no real allies. Even if it had allies, it wouldn't trust them completely.

Under those circumstances, would it really trust the security guarantees that it would be offered? So, there's a logic for North Korea to remain a core nuclear power. But what happens then?

One interesting question is how the United States responds. Even more interesting in thinking of future security dilemmas is how Japan responds to the increased vulnerability it feels because of a nuclear North Korea. Would it begin to debate a nuclear program of its own? I'm not saying I want this to happen. I'm just saying that it's something we should think about.

Now, a key variable in thinking about Japan's vulnerability is how the United States and Japan respond. Do we jointly sympathize with Japan's position and take steps to reassure Tokyo? Or does the United States take Japan's side, leaving China to, for reasons of 20th century history, remain suspicious of Japan's intentions?

Even if North Korea accepts the Six-Party Talks offer and reduces Japan's sense of vulnerability, Tokyo will still have anxieties about China's military buildup. Will China acquire power projection capabilities in a way and to an extent that Japan regards it a serious danger to its security even though China has no desire to threaten Japan? Here, the fact that China has nuclear weapons and Japan does not comea into play in Japan's calculations. And how does Japan respond? Will it seek to strengthen the alliance with the United States even more? What would Washington do in response? Would Japan, again, seek its own deterrent? Will it play up symbols that it knows China will regard as reminders of its aggression in the 20th century?

China's military modernization and its impact on Japan are also connected with cross-strait relations in an interesting way. The cross-strait relations are a special kind of security dilemma, I think. The situation between the two, mainland China and Taiwan, is one of mutual suspicion. Each side fears that the other is preparing to challenge its fundamental interests.

China fears that Taiwan's leaders are going to take some political action that would frustrate its goal of ultimate unification and permanently separate Taiwan from China. Beijing is increasing its military powers to deter such an eventuality. Taiwan fears that China wishes to use its military power and other means to intimidate it into submission. Taiwan's deepening fears lead it to strengthen and assert its sense of sovereignty. And Taiwan's assertion of sovereignty is regarded by China as pushing toward independence for its permanent separation. So, you have a vicious circle: mutual fear, mutual defense mechanisms.

And that's the situation we've been dealing with for over 12 years. But what happens if, as a result of the next Taiwan presidential election, there's a turn for the better and the two sides can stabilize cross-strait relations and reduce their mutual fear? One of the reasons for—or maybe the main reason for—China's acquisition of power projection military equipment is removed. And that would deter independence.

So, will the acquisitions decline or freeze? You don't think so? They'll continue. Okay. Well, we have Professor Zhu's prediction.

So, what will Japan think? If China continues to acquire power projection, and equipment, what will Japan think?

DR. ZHU: I think that basically Japan's reaction will be very negative.

DR. BUSH: Yeah, exactly. You make my point. Now, coming to my final point. There's a distinct possibility that these various security dilemmas, or most of them—the North Korean and the Taiwan ones—are merely elements of a more basic one, and that is the one between the United States and China.

We all understand that despite the many areas of actual and potential cooperation between our two countries in the security realm, there's a cautious hedge going on. The United States is engaging China on the one hand and hedging against downside risks, and China is doing the same thing. We each are uncertain about the long term intentions of the other.

Perhaps the China-Japan security dilemma and the mainland-Taiwan security dilemma are nested in this more fundamental U.S. and China one. And this suggests that the primary security dilemma, U.S.-China, and the subordinate ones can affect each other in a reciprocal and dialectical way.

If cross-strait relations and the Six-Party Talks go well, then it will have a positive impact on U.S.-China relations and perhaps shape the U.S.-Japan alliance in a way that's stabilizing for both the United States and China. The not-so-positive scenario is that if North Korea makes choices that reinforce Japan's sense of vulnerability and if Taiwan takes political actions that Beijing believes will close the door on peaceful unification, then these stimulate actions by the United States and China that exacerbate the Chinese and American suspicions about their prospective long term opinions.

If the United States and China can avoid the conclusion that we are each other's future adversary, but instead continue to emphasize the opportunities in our bilateral relationship and we can accept our joint responsibility to work for the preservation of regional global peace and security, then it will reduce the possibility of future conflict Thank you.

(Applause)

DR. ZHU: Thank you, Richard. You are truly abreast of very daunting issues, not only with China but also for the regional members. So, the security dilemma, if we look at the facts, I have to say it's deepening. But there are, you know, other dimensions of the relationship, for example, the China-U.S. relations.

I don't think it's a mutual gap between the two powers, but as Professor Ding said, China's confidence also proves that, so that's why I don't think that they are highly motivated to just pursue large scale military capability or projection capability. The problem is the Taiwan issue, in next year's election season the Taiwan Strait may become stormy waters. If we can get through it, it can end differently. So, I think that we could also just keep thinking of the situation as it narrows.

Okay. Let me open up for questions for all of the participants. Please raise your hands. We also have a wireless microphone. Professor Slaughter first, and Andrew second.

QUESTION: Thank you. Anne-Marie Slaughter from the Woodrow Wilson School. I enjoyed the panel very much. I have two questions. One for Professor Ding. We often hear that all the various East Asian or Asian regional mechanisms are complementary, that there's no reason you can't have many of them and they can all somehow fit together. I find that view attractive.

But if you think about it from the point of view of bureaucratic politics, you know that the more of these networks there are, the more time they take to actually put in the diplomatic effort necessary to maintain the relations, and then, the United States is of course a member of Asian networks but also European networks and Latin American networks whereas China of course, is more primarily focussed on Asia. So my question is, why shouldn't the United States worry that with that proliferation we can't spend enough time to play the kind of role that we'd like to whereas China can?

My next question is to Professor Lim and Professor Qin on the questions of socializations, particularly in ASEAN. And I have written for 15 years about the value of socialization, about networks of national government officials. I strongly believe in this. But what are the right metrics to tell whether this process is working? Because as you all know, here we have the ASEAN charter. This should be the triumph of ASEAN. And the Western press says, and I think with some justification, that there is all this talk and the socialization hasn't even worked to the point where you can get Gambari to brief ASEAN leaders on the situation in Myanmar. Obviously, it's not working.

So, I'd be interested in your sense of what the right measures are for us to say that this gradual creeping institutionalization is having any effect at all.

QUESTION: Andrew Moravcsik. My question builds on the second question about regional cooperation and socialization. I'm wondering how we move from process-oriented regionalism to outcome-oriented regionalism. I don't think it depends on hierarchical international mechanisms or commitments at the international level.

But at the same time, I don't think we can be entirely dependent simply on process. Instead, I think when we look at international organizations, what's most effective is process linked to some kind of commitment at the domestic level. That is, when we set up a trans-national network, those domestic participants in the trans-national network have to be able to act autonomously and credibly at the domestic level. And when you look internationally at effective cooperation, say in a financial regulatory area, or you look at regulatory harmonization in Europe, which is almost entirely enforced domestically by domestic courts and domestic administrative bodies, this is a process of domestic commitment, not international commitment.

So the real question, it seems to me, in Asia is whether or not countries are moving toward that kind of domestic commitment that would be necessary to make Dr. Lim's processes or Dr. Qin's processes work. And I'm wondering whether you think we see that process moving forward.

PROFESSOR DING: Well, thank you very much, Professor Slaughter, for your very kind question. I think it will be a long process before reaching a point of cooperation and agreement in this region. Secondly, it's very complex in that there are so many mechanisms. You like this, I like that and we should look at this issue in a positive way rather than a negative way since we cannot resolve it very quickly. So, why not? We have the principle of agreeing to disagree. So, that's my very brief response.

DR. QIN: Thank you, Professor Slaughter. And nice to see you here again, ma'am. Your question about socialization is really interesting. I think all the different kinds of mechanisms or approaches that allow for socialization to take place can be successful. We know the process of socialization, especially major powers, is not that easy. But if you look at the ASEAN norms, some of them have been accepted.

I look back at the processes I have been taking part in that usually involve the ASEAN countries. When we have Ten Plus Three track two meetings, they have consultations and make the Plus Three wait outside until they reach a consensus. And then they come up and say okay, this is the consensus we reached. Do you accept it? Usually, the Plus Three accept it.

I see the kind of exception first and also kind of competition between the major powers, the Plus Three countries, to accept this kind of norm. In this way, I stress process, because it's that process that produces norms and spreads norms to the major powers. It's not an easy process. It's very difficult sometimes. But so far, it has been somewhat successful. We have to recognize this. So, this is an interesting way to study East Asian regionalism. It's not major power directed. It's lesser states directing. Why can they do that? It's an interesting point.

As for the second question, let me give the floor first to Professor Lim, then I will have one or two points to say. Thank you very much.

DR. ZHU: Professor Lim?

DR. LIM: If we look at the European experience, it's difficult to believe that a process-oriented approach alone would lead to substantial cooperation. Because in the European context, you had, in my view, three major institutions: NATO, EU, and CSCE, later developing into OSCE.

NATO's primary task is believed to be the collective defense of the NATO members, but there's an important additional element in NATO's goal that is to almost take advantage of the extra-regional power, the United States, so as to contain and prevent intra-regional conflict, especially between France and Germany. I think that's part of the reason why NATO survived after the collapse of the Soviet Union. There's an important element of extra-regional power coexisting with regional powers that were engaged in conflict.

The European Union expanded upon that approach. There an extra-regional power was not involved, but here you had a major reconciliation in the two dominant powers of Europe, France and Germany. We don't have that in Asia. And finally, with respect to CSCE, you had security dilemma dynamics reaching the stage where mutually assured destruction became a distinct possibility, thus forcing adversaries to come together to confront that possibility and make compromises in three different areas to try to create comprehensive cooperative security in the region.

Now, in the Asian context, yes, it's better than nothing to have all these collective problem solving mechanisms, socialization and so on, but I don't think it's going to be enough. When we try to move from this sort of easy common denominator—collective problem solving—to more political or directly security related issues, we have problems. Part of the reason, I believe, is that although process-oriented approaches help

to produce norms and so on, there's a limit when major powers have not really made an agreement to try and achieve cooperative security.

In the Asian context also, I really hope that China and Japan will reconcile with each other and try to lead regional cooperation with the United States involved as a major extra-regional power. I think that will be sort of a very stable and desirable outcome. But, if we don't have that, another kind of positive possibility we can hope for is a competitive dynamic between China and the United States producing more regional cooperation.

What I have in mind is that China and the United States become both concerned about what the other is doing with respect to regional cooperation, and by having countries in the ASEAN take some kind of leadership with other middle powers in the region also taking the initiative, maybe we can create a multilateral architecture that would involve both China and the United States, and hopefully build a more stable structure.

Other than that, I think it's really difficult to believe that process oriented approach alone would result in cooperative, comprehensive situation.

DR. ZHU: Yes, thank you.

DR QIN: Quickly, a few points. The questions are well structured. I think it's really a good question. I just want to say that outcome-oriented and process-oriented processes are not conflicting each other. They are two complementary models.

If you look at East Asia, I think one of the distinct features of East Asian regionalism is that it is process-oriented. First, we need a minimum norm foundation and a rule foundation to accept these processes so that people can cooperate with each other, and also the web of related networks. There are a lot. Anne-Marie mentioned this. It's time consuming. But I remember in 2004, we had a working group from Malaysia discussing whether we should have an East Asian Summit to replace Ten Plus Three or to have the two processes going on. The final consensus among all the 13 countries was to keep the two processes going on. This is a very relational process network.

The second point I want to make is about domestic actors. Domestic actors are extremely important. In fact, I see some emergent networks of sub-governmental actors in the region, for example, Guangxi province in China, and ASEAN countries in Guangdong province. They are sub-national. They are not the Chinese central government, but they try to establish networks that facilitate cooperation with ASEAN countries.

So, they are quite interest driven. At the same time, if they join in on this cooperation process, we redefine their interests. This is another very interesting phenomenon in this whole process. Thank you.

DR. ZHU: Thank you, Yaqing. Let's get back to course. Professor Chen Yixing first, James Tang second. If anyone else should raise their hands, I can call right now. Report your name and affiliation.

QUESTION: Thank you, Chairman. I am from Taiwan. I am a professor of Tamkang University. I am now a visiting scholar at Peking University. My question was directed to my old friend, Richard Bush. In your presentation, you mentioned that if party talks worked well, then it would have a positive impact on U.S.-China relations. Otherwise, you believe it will create a security dilemma between the two great powers.

My question is that in the face of increasing tensions in the Taiwan Strait, what kind of law or in what way can the United States help to manage or stabilize the cross-strait relations and to continue to be a balancer or to play a new kind of role of guarantor or mediator? Thank you.

DR. BUSH: Do you want me to go ahead? Well, that's a very good question. If you could tell me who our next secretary of state is, I might be able to give you a better answer to the question.

The approach that we have pursued for the last 10 or 12 years is one of what I call "dual deterrence," which is dissuading Taiwan from taking provocative political actions and dissuading Beijing from considering any kind of use of force. And that has been fairly successful. We're involved in doing that right now. It's a kind of limited intervention. If there were a stabilization of cross-strait relations, which I talked about briefly, and the two sides, Beijing and Taipei, were able to better manage their relations themselves, then maybe we could pull back from that because we had greater confidence in Beijing and Taipei's ability to do it themselves.

The U.S. government has always been reluctant to get more involved as a mediator for a variety of historical and political and practical reasons. I expect that that would probably continue. I expect that we are going to be distracted and preoccupied for a few years after the next administration takes power, and so we would not want to take on that responsibility.

DR. ZHU: James?

JAMES TANG: James Tang, University of Hong Kong and former CNAPS fellow. I want to go back to the question of leadership that Lim Wonhyuk mentioned. After 40 years I think ASEAN seems to have reached a point when the kind of norms and stabilization that we discussed earlier has already achieved whatever they had wanted given the thickness of all these interactions, and what's going on, number of meetings, and all sorts of other things that Yaqing and others have been participating in regularly.

Now, the question of Myanmar, and perhaps the recent discussions in ASEAN on decisionmaking reform, really demonstrate how agitated and frustrated some

of the people involved in the process have been. Yaqing, I believe you mentioned the ASEAN leadership. In terms of all these new issues and problems and the security dilemma that we are facing, many people are now looking towards China for exercising greater leadership.

So, I have two questions. One is, to what extent do you think China is willing to take greater responsibility and leadership in the region? Some observers have been talking about the two visions involving ASEAN Plus Three or the East Asian Summit, which could exist in parallel but somehow there are all these discussions about where China is going, and whether there will be relatively close regionalism or more increased regionalism. So, I'm wondering if you have some thoughts on that.

And going back to Richard's security dilemma, to what extent, Richard, do you think issues like those identified by Lim Wonhyuk on non-traditional security problems are different from traditional security problems, and how would they form the basis for a revival to some extent of say, U.S.-China cooperation, whereas Asia's security dilemma might be a bit more confusing for cooperation.

QUESTION: Thank you for an excellent presentation. I'm Kiyoshi Sugawa from the Democratic Party of Japan and a CNAPS fellow in 1999-2000. My question is very straight. Why do we stick to ASEAN leadership? Well, of course, I welcome the advances and the progress that ASEAN has led to. However, if you compare Asian regionalism to European regionalism, the biggest difference is the lack of political will on the part of Asian countries for integration.

I'm afraid that if we stick to the ASEAN-based regionalism, then it could be used as an excuse to do nothing. So, what do you think the about creating other platforms for Asian regionalism? And I think Richard mentioned that the potential security dilemma between Japan and China could be a big problem, but one answer to this problem could be a regional approach. So, I want to ask Dr. Qin and Dr. Lim, is there any, for example, Japan, China [inaudible] or is the new regional approach, such as "regionalism of the willing?"

QUESTION: I didn't think I would have a chance to ask a question, but I'm very grateful to have a chance. My name is Masahiro Matsumura from Japan, and it's true when you introduced Professor Qin's presentation, you referred to contending constructivism. But as long as he's here: China's approach is more focusing on a neo-liberal approach, focusing on how to maximize the cooperation of like interests, not talking about anything about threats or identity formation. But if we like to pursue the full regionalism based upon enlightened interest based cooperation as Richard suggested that security dilemma poses a major challenge to regionalism.

So, my question is do Chinese leaders and electors seriously consider a formation of a collective identity and for that purpose, in particular, has China already begun to talk about decelerating building armaments or to put less focus on building

power projection capabilities? Otherwise, I think we don't have any sense of community in East Asia.

DR. ZHU: Today, we also have the LSE-Beida joint MA program students to join today's conference, so Dean Wang and me are also teaching them this message. I want to just have one or two questions out of them. So, please, any questions? Please.

QUESTION: Hi. My name is Joan. I'm from the United States, and I'm a candidate for the double masters degree. In looking at all of these regional structures of influences in East Asia, I'm interested in learning more about the perspective and the influence of soft power, especially as the United States' soft power declines and China's soft power increases.

I'm also interested in asking Dr. Ding and Dr. Lim about these non-traditional security issues and how they specifically relate to the soft power influence declining from the U.S. perhaps, or maybe not declining, and what the view is from the Chinese perspective as well. Thank you.

DR. ZHU: Okay. Thank you. So, now let's move on to the last part. So, each panelist has just one minute to respond. Please.

DR. BUSH: Thank you. For James' question, I think that non-traditional security issues are a good place for the United States and China to build habits of cooperation, but I think that the main areas will be the traditional security issues. The Korean peninsula, Taiwan, Iran, and South Asia—that's where the game will be won or lost.

I would also like to say that with respect to East Asian regionalism, I hope that the United States in the next administration will sign the ASEAN Treaty of Amity and Cooperation so that we can attend the East Asian Summit. I hope the scheduling issues will be resolved, because I think it's better for us to be part of that process, whatever its outcomes are. Thank you.

DR. ZHU: Dr. Lim?

DR. LIM: I think the leadership provided by ASEAN in the Asian context is similar to the facilitating role provided by the Benelux countries in Europe. It cannot be much more than that in the end. And as an alternative approach or alternative form, I think it would be important to get Six-Party Talks institutionalized, and have a forum where all the major powers—the United States, Russia, China, and Japan, as well as North and South Korea—get involved in regional cooperation.

As for the idea of trilateral cooperation between China, Japan, and Korea, we had a lot of activity in that regard around the year 2000. We are now beginning to turn the page on this tumultuous five years or so, and now there are better prospects for

something like that with the new administration in Japan, the new administration coming into power in South Korea next year, and China becoming more accommodating as well. I remain somewhat cautiously optimistic about that.

DR. ZHU: Yaqing?

DR. QIN: All right. Thank you, Mr. Chair. One minute, three questions. The first is James, China's leadership and responsibility. I think China should have more responsibility. That does not mean exactly leadership, because it's not possible and not conducive at this stage for China to take the lead.

Second, the Japanese question is whether ASEAN leadership means we do nothing. I don't agree. I have two questions back. First, in the last decade, we have done much with ASEAN and the Chinese. Second, if not ASEAN, who? The third question about identity formation, my Japanese friend's question. I don't think these two processes, this concept of neoliberal cooperation and identity formation, are two separate things. They are interrelated. Countries join in the process for their interests, but once they are in, that kind of identification is going on. But nobody can say we tried to force an identity. Japan did that in 1930s and '20s. Identity comes naturally out of the cooperation process. Thank you.

DR. ZHU: Professor Ding?

DR. DING: I don't have much to comment. Since I have two title here, Shanghai Institute of American Studies and also CNAPS advisory council, I was trying to strike a balance in my remarks. But anyway, I think talking about political and security cooperation in this region, we have to take first the considerations of concerned ASEAN nations. Secondly, I think the most important thing is for the big powers to reduce suspicions and increase the strategic trust. Thank you.

DR. ZHU: I would like to thank all of the excellent panelists for doing a fantastic job. We will have 15 minutes coffee break.

(Recess)