

THE BROOKINGS INSTITUTION  
CENTER FOR NORTHEAST ASIAN POLICY STUDIES

PERCEPTIONS OF U.S. FOREIGN POLICY  
IN EAST ASIA

*A CNAPS Visiting Fellows Presentation*

*The Brookings Institution  
Washington, DC  
June 28, 2007*

Transcript prepared from a tape recording by

ANDERSON COURT REPORTING  
706 Duke Street, Suite 100  
Alexandria, VA 22314  
Phone (703) 519-7180 Fax (703) 519-7190

## PROCEEDINGS

DR. BUSH: Why don't we go ahead and get started? My name is Richard Bush, and I'm the Director of the Center for Northeast Asian Policy Studies here at Brookings, and it's my great pleasure to welcome you all here today.

This event is the conclusion of our program year. It gives our Visiting Fellows a chance to express their views about U.S. policy and how people in the countries and places that they come from feel about the United States and what it's doing in East Asia.

My colleagues Chu Shulong from China, Masahiro Matsumura from Japan, Hyeong Jung Park from the Republic of Korea, Liu Fu-Kuo from Taiwan, and Rikkie Yeung from Hong Kong will share their views today. To start, I will ask them some questions on these issues, and then for the rest of time, until about 3:30 p.m., you will ask the questions.

Now I'm utterly shameless in sort of attracting an audience and keeping an audience and today not only have I bribed you with food and drink before the event, I'm going to bribe you with food and drink after the event. We have a reception in another room here on the first floor, and you're all welcome to join us in saying farewell to my five colleagues. They'll be leaving Brookings as of this weekend. We're very sorry to see them go, but please join me in bidding them farewell. Good luck.

So let's get started with Chu Shulong. Shulong, how do your friends and colleagues in China perceive current U.S.-China relations?

DR. CHU: I think relations have been good for the past six or seven years. And not only since 9/11, but before that, the Chinese, as far as I see, Chinese officials and policy people who think the relation has to be good, and from my perspective this is the first time that our bilateral relations have been stable and I think again, and the past six years we had another incident, and we had another major incident of the EP-3, So overall, the U.S.-China relationship has been pretty stable, and characterized by constructive engagement, consultation, and cooperation between the two countries. And I expect bilateral relations to be good for the near future, even as the United States changes administrations next year.

DR. BUSH: Well, in light of this positive picture of our bilateral relationship, what U.S. activities and policies in Asia concern the Chinese people?

DR. CHU: I think the Chinese, I mean the policy circle still has a greater concern mainly to matters regarding the U.S. in East Asia. One is still Taiwan, even though the Taiwan issue has been stable, and actually has been managed well by Washington and Beijing. And the two sides have consulted and engaged in management to control the issue in the past couple years and before. China's basic concern lies with certain fundamental parts of American policy toward Taiwan — trying to make a commitment to protect Taiwan, arms

sales to Taiwan, maintaining some official contact, including military-to-military relations, with Taiwan, all of which Beijing sees as violations of the one China principle and encouraging Taiwan to go in the wrong direction.

The second major concern is U.S. policy toward Japan. That doesn't mean China opposes bilateral lines between U.S. and Japan, but that China does not understand what role the U.S. wants Japan to play in strategic security matters in Asia. So China is confused. China is concerned about American encouragement for Japan to play a bigger role in security and strategic matters.

DR. BUSH: Thank you very much. Speaking of Japan, let's turn to Hiro. Hiro, how would you describe Japanese public opinion regarding the United States and its foreign policy?

DR. MATSUMURA: The U.S. is considered as the indispensable alliance partner in the context of growing regional and global security change. So the Japanese see it as quite legitimate for the United States to play a limited role of world sheriff, if not as a policeman, in the jungle of international relations. And the Japanese are very much willing to cooperate with the U.S. in such a context.

Yet, the Japanese public becomes skeptical and sometimes very negative toward the United States, when the U.S. acts as a judge of the world, presuming that it has the moral high ground. From the Japanese perspective, U.S. foreign policy quite often backfires in this context, such as its current quagmire in Iraq and its current approach to the Japan history question, including the issue of the so-called comfort women.

So there should be some extreme circumstances, such as a holocaust and ethnic cleansing, before a moral perspective has to be brought in. But otherwise, the U.S. needs to learn how to avoid a moralist approach – or the wisdom of a-moral customary international law. This applies well to the question of the use of force, particularly collective self defense, and also the legal settlement of the war through the peace treaty.

DR. BUSH: Okay. What do you think is going to be the state of U.S.-Japan relations in the near term and the long term?

DR. MATSUMURA: Oh, in the near term, you will see significant acceleration of the strengthening of the U.S.-Japan alliance, both at the political and the operational levels. Such acceleration is necessary not only for Japan but also for the United States because both of us face common growing security challenge and growing potential security challenge, and uncertainty.

But in the long-term, the picture is at least very mixed and uncertain and may possibly be very bleak. At the structural level, your country has experienced a very serious

weakening of economic foundation of U.S. hegemony, and people are not aware of that. Looking at the surface, things are going well, but there is serious softening in the inside of the economic hegemony.

So the Japanese also have to think about some of our historical experiences in the 1920s-30s and other time - we all know of the clash of U.S. and Japanese interests in the security and the foreign policy. But that clash was initiated by the U.S. discriminatory immigration legislation against Japanese immigrants. So there is some trivial, minor cultural related event, but it later turned out to be the starting point of the decline of bilateral relations. I hope that the comfort women question will not turn out to be that kind of starting point. Thank you.

DR. BUSH: Okay. Thank you very much. Let's turn to South Korea. Dr. Hyeong Jung Park. Hyeong Jung, I would observe that in December of this year, South Korea is going to have a presidential election. In 2002, in the last presidential election, animosity against the Bush administration's policy toward North Korea and anti-American sentiment had a major impact. How do you think the U.S. factor is going to affect the presidential election this time?

DR. PARK: Currently, the U.S. factor plays no significant role in the presidential campaign, and I don't think it will play an important role in the coming months. Actually, during the past six years, the South Korean public has become much more conservative and much more pro-American. And the notorious "386 generation" has also become more conservative. They have no such animosity against the United States as they had in 2002.

Furthermore, South Korean opinion about the United States has improved, especially relative to Japan and China. I have a clipping from today's *New York Times*. The title of one article is "U.S. Facing More Distrust from World, Poll Shows." But according to a Pew Global Attitude Survey, the favorable view of the United States in South Korea has increased by six percentage points, from 52 percent in 2002 to 58 percent in 2007. During the same period, the favorability rating of the United States in Japan decreased by about 11 percentage points from 72 to 61 percent, and in China, it decreased by eight percentage points, from 42 to 34 percent.

DR. BUSH: What about specific policies toward North Korea? Have there been gaps before in the U.S. and South Korean approaches toward North Korea and our perceptions of North Korea? Have our approaches now become more similar?

DR. PARK: I think the two countries found a workable consensus about how to deal with North Korea. And there is very strong support in South Korea for the current U.S. approach to North Korea. I found during my research in the United States that

American experts on North Korea still hold a strong, outdated image of South Korea as anti-American. They still think a major gap exists between South Korean and American perceptions of North Korea.

DR. BUSH: Okay. Thank you very much. Let's turn it to Taiwan and Liu Fu-Kuo. Fu-Kuo, what's the general public opinion in Taiwan toward the United States and U.S. policy toward Taiwan?

DR. LIU: Thank you. Today, public opinion in Taiwan is fragmented. And, as many of you know, Taiwanese opinion polls are sometimes very distorted. The results depend on how you phrase the questions, and who you ask, and the particular polling firm conducting the survey.

But in general terms, I can say that in the past year — the past seven years, even — the Taiwanese people have discussed with great seriousness the United States and U.S. foreign policy. We have seen two different types of frustration. The first comes from a nationalist group of people who do not trust the United States, because that is very much their traditional position.

The other problem arises from Taiwan's longstanding, close ties with the United States, and the expectations that go along with that. The U.S. identifies Taiwan as a democratic country and has been put such a tremendous effort made a tremendous effort to help Taiwan democratize. But in the past several years, the Taiwanese people realized that the U.S. is not helping Taiwan. Taiwan pushed through democratic reforms, and now may be headed in the direction of an independent state. These are the two problems I see.

But a majority of our people still feel that the U.S. is one of the most important friends Taiwan has.

DR. BUSH: What would you say is the biggest issue between the United States and Taiwan right now?

DR. LIU: Thank you. If you look back at the past couple weeks, you will notice that the biggest current issue, of course, is the referendum on applying for UN membership under the name of "Taiwan." The most important issue between Taiwan and the U.S., however, is how Taiwan's progress in democratization is perceived.

As I alluded to, a minute ago, because of Taiwan's democratization, our government and other people in Taiwan believe that we have the legitimate right to go forward with democratization as many people, the majority of people in Taiwan enjoy. So we want to push even further. So with this kind of development, I think the U.S. has come up with different perceptions, and I think this is currently the major issue between Taiwan and the U.S.

DR. BUSH: Okay. And finally, what is Taiwan's perspective on U.S. policy toward cross-strait development?

DR. LIU: Of course, currently, after especially the past seven years, most Taiwanese people are gradually increasingly concerned with the direction the U.S. and China have been developing. As you can imagine, such a kind of close U.S.-China relationship does contribute to certain amount of apprehension in Taiwan. And I think that perhaps for a new situation to develop across the Taiwan Strait also depends on the U.S. and China. And perhaps we need to think through different perspectives, in terms of Taiwan's perspective and the U.S. perspective, on the cross-strait development. I do believe and I think that most Taiwanese people—and even our government—would hope that the U.S. can really push through the process; Taiwan has long looking for dialogues and contact with China.

DR. BUSH: Okay. Thanks. Let's turn to Hong Kong now, and Rikkie Yeung. Rikkie, Hong Kong people are citizens of an international city. How do they perceive the global role of the United States?

DR. YEUNG: Thank you, Richard. As you know that Hong Kong has this historically strong economic, social, and cultural relationship with the U.S., so generally speaking, I would say that the Hong Kong public accepts and recognizes the United States' global leadership. But as part of the global village, the Hong Kong people also share some of the disappointment over U.S. foreign policy in recent years, such as the war in Iraq and the United States' handling of global climate issues.

By and large, I would say that the Hong Kong people accept global leadership by the United States, but they would also like to see the U.S. resume playing an active role in moral leadership. They want the United States to live up to American values in its foreign policy, in areas like global climate and environmental issues, energy, humanitarian issues, or even human rights or corporate governance. If the American government can live up to American values in its foreign policy or even in its domestic policy, then I think the Hong Kong people will look even more favorably toward American global leadership.

DR. BUSH: Okay. And thinking about what Shulong said and based on your knowledge, do the people of Hong Kong and the people of mainland China share similar views about the United States? To what extent does Chinese nationalism explain any difference?

DR. YEUNG: From the official perspective, of course, Hong Kong has no foreign policy, so we must toe the line of the Chinese Ministry of Foreign Affairs. As for the Hong Kong public, I don't have detailed survey data to compare the sense of nationalism between Hong Kong and mainland people. But I'll try to explain the Hong Kong person's perspective.

Of course, as Hong Kong people, we all love China and we want China to do well. But radical nationalism has no market in Hong Kong, and we tend to be quite sophisticated in differentiating government policy versus people's actions, intentional wrongdoing versus genuine mistakes, and government action versus NGO action versus individual actions.

So I would say that Hong Kong people tend to look at U.S. actions in a more sophisticated and more detailed way than people in mainland China.

DR. BUSH: Okay. Thank you all very much. I would observe that views of the United States in Northeast Asia may be more positive than in any other place in the world, probably including the United States as well. But that's just an idiosyncratic observation.

Before we open it up to the audience, I'd like to ask each of you a question about yourselves and your perceptions of the U.S. government: How has your perception of U.S. foreign policy and the foreign policy-making process changed during your 10 months in Washington? We'll just go down quickly along the line here. Shulong?

DR. CHU: I think according to the Chicago Council on Global Affairs and a few other institutes' public opinion polls, the Chinese people have the most favorable attitude toward the United States. Around 70 percent of Chinese people answer the question if you positive attitude about the - that's also kind of agreeable with public opinion polls done in the past few years by China's own newspaper Global Times .

But this sentiment is about the U.S. as a political system and economic strength, science, technology, education, and culture, including McDonald's and others. On the principal American foreign policy, the Chinese people's view is quite negative, including American so-called global leadership, the Iraq war, and the U.S. policy toward Taiwan—I mean public, not in the policy circle. So it's a clear division between the Chinese attitude toward the U.S. as a country, as a domestic matter and the U.S. foreign policy, and the second part is still quite negative.

DR. BUSH: Hiro?

DR. MATSUMURA: I think you Americans have a terribly messy government, and maybe democracy is the worst form of government, except for all the others. I haven't discovered anything that can't be found in the standard textbooks, but I have had interesting first-hand observations.

I would share two major observations. One is that your government — specifically, Congress — is particularly vulnerable to so-called diaspora politics. The most

common example is the influence of the Jewish diaspora on Middle East policy, but East Asia policy is also susceptible to ethnic groups with ties to the region. My second observation is that your government is structured in a way not to make timely and coherent decisions. This is particularly so after the results of last October's election.

And also, surprisingly, you can see the ongoing scandals and the subpoena-issuing as a confrontation between different branches of the government. And you have also seen the problematic influence of the Office of Vice President, as has just been covered in the Washington Post this week.

So outside observers, particularly those in East Asia, have big a question mark. What is going on with the United States? Fortunately, you have U.S. experts, particularly those at Brookings, to explain to these outsiders what is going on here and how these experts think of these questions. Otherwise, America would be most likely misunderstood.

DR. BUSH: Hyeong Jung?

DR. PARK: I found during my 10-month stay that the United States has great potential to become a much more reliable, reasonable, and responsible country than we have seen in the past six years. Thanks. That's all.

DR. BUSH: Fu-Kuo.

DR. LIU: Thank you. I recall a visit I made to Washington in 2005, when I met a number of officials. On that visit, we asked a question similar to what we're asking today. That was, how exactly does the U.S. perceive U.S. strategy in Asia? At around that time, in East Asia, in Southeast Asia, people greatly feared that American attention to the region was disappearing. But in 2006 and 2007, I believe at least one thing we noticed that President George Bush went to Hanoi for APEC summit last year, and he proposed a big initiative in the Free Trade Area of the Asia Pacific.

Even though this proposal may not be effective or may not really be endorsed by a regional leader, it is the first example in several years that the U.S. is serious about Asian regional affairs. So I think I would come to agree with my colleague's point. The Asian people increasingly feel that the U.S. is serious and prepared to come back to East Asia. And this is a positive sign I have seen in the past 10 months.

DR. BUSH: Thank you. Rikkie?

DR. YEUNG: Well, in the past few months, I've learned more about domestic policy and political dynamics in the U.S. Of course, like Hiro, we also see a lot of problems in U.S. government, but I'd rather put the issue in a more positive light, because by the year



2006, public opinion in the U.S. finally converged with Hong Kong public opinion in 2003, the time of the start of the war in Iraq.

At that time, we were very skeptical about the judgment of the American people. But now, we witness that the American people can exercise their vote to turn around the situation, so I believe that looking ahead the situation for America in terms of domestic and foreign policy will be more positive. The only caveat, from my perspective as a Hong Kong resident, is the possible rise of trade protectionism here in the United States.

DR. BUSH: Okay. Let's throw it open now for the audience to ask questions. And if you want to ask a question, please raise your hand and I will call on you. Wait for the mike. And then once you get the mike, indicate which of my colleagues you would like to answer the question and identify yourself and where you're from. Who would like to ask the first question? Scott Harold.

MR. HAROLD: Scott Harold, Brookings. Dr. Chu, I have a question for you about Sino-American relations. There's been, since 2005 and Mr. Zoellick's comment that China should become a responsible stakeholder, a big discussion about China's role in the world.

No country has played a larger stakeholder role in China's economic modernization than the United States. In recent months, we've seen a number of major problems—in fact, in recent years, a number of major problems emanating out of China that result from China's backwards political system. Whether that is the inability to effectively and honestly deal with the SARS outbreak or the rise of tremendous numbers of consumer goods that are poisoned or dangerous to the consumers, there are a number of issues where if China would engage in political modernization to match its economic modernization, the entire world would benefit.

Currently, the U.S. and the Chinese economies are so closely linked that if a political collapse were to occur in China, it would drag the entire world economy down.

In the past, China was very afraid of kind of a political peaceful evolution strategy by the United States. But today, it seems almost impossible to imagine that China's current political system will persist indefinitely into the future.

Do you see any way that the United States could favorably—and with the understanding and consent of the Chinese Communist Party—assist China by buying into political modernization in a way that is non-threatening and would even allow the Communist Party to persist the way Taiwan's Nationalist Party continues to persist beyond democratization? Thank you.

DR. CHU: I think the real regional concern is political differences, and this is increasingly becoming a big gap between our two countries. I agree that behind those economic and trade and financial disputes, behind that the political systems are different, which for one that China become market economic rule of law society under such (inaudible), I think your question is whether these two countries can get closer to overcoming the difficulties. I would say I am much more pessimistic about that, because my original reason from my government ruling party just does not see any sign for going in that direction. Even in this coming 17<sup>th</sup> Party Congress or next five years at least. I understand that my leadership emphasizes stability for the development, of such a big, poor country, such a big population. So I understand, but I just think that without political reform, political modernization that those issues—not only between U.S. and China and between China and other countries, but inside of China between regions, groups, or peoples—just are getting more and more serious. I don't know how we can manage or even resolve the issue without a major political reform or modernization. I think that is a challenge. That is a difficulty China is facing now and in the future. But I just don't know when the whole leadership, the ruling party is going to resolve the issue for the progressive, I just don't see any sign in that direction.

DR. BUSH: Eric McVadon?

ADM. MCVADON: Eric McVadon, the Institute for Foreign Policy Analysis. My question is for Fu-Kuo and Shulong. In the past, Fu-Kuo, we often heard people say that good relationships between Washington and Beijing were ultimately good for Taiwan. What kind of relationship would you like to see? You mentioned the apprehension about the current relationship between Washington and Beijing. And for Shulong, what kind of relationship would the Chinese like to see us have with North Korea?

DR. LIU: Thank you, Eric, for this very important question. It gives me more time to elaborate one other point I raised, because, as you pointed out, traditionally when Washington and Beijing developed a good relationship it would obviously have a negative effect on Taipei.

But this is the era of globalization, and the region has already developed in a cooperative manner. And what I perceive perhaps we need to develop a cooperative spirit. We hope that, as I discussed on another occasion, countries in the region have come to realize that cooperation is critical. So gradually, the amount of conflict and confrontation is decreasing. And, as for what kind of situation or Taiwan would like to see between the U.S. and China. I would say that closer cooperation between the U.S. and China would be necessary for stability in Asia. In a global community, when two countries cooperate with each other, everybody can do their business and earn money and get back to a better life. So I think that decision makers in Taipei may consider this to be the situation that needs to be developed.

During the time that I shared with Shulong, we discussed the possibility for Taiwan and China to really sit down and work together, and this is perhaps an optimistic development. We are looking beyond 2008. Thank you.

DR. BUSH: Shulong?

DR. CHU: I think there has been a change in this past year. China still wants to maintain good relations with North Korea. But the difference is that China will not do it without a foundation, and the foundation is that North Korea must seriously commit to denuclearization and the six-party process. And then China would like to continue good relations and assistance.

But if North Korea does not fulfill its commitment, there will be further gaps, further divisions between China and North Korea, and increasing common ground between the U.S. and China on the North Korean issue.

So I think now it is very important for us to demonstrate that we are serious about North Korea following through on its commitments. And I think China and the United States are working carefully and closely together to set their policy on North Korea.

DR. BUSH: In that context, what kind of policies should the United States take toward North Korea?

DR. CHU: I think the current U.S. policy is sound, trying to resolve the issue through the Six-Party Talks, with the other five. I do not think there is a better way to resolve the issue. I think we should give that process a chance and time to see whether it is going to work or not, before Washington changes its policy.

DR. BUSH: Richard Shin?

MR. SHIN: Richard Shin with LECG. I have one comment and one question. Lots of my friends from South Korea, they ask me, you know, what is going on in the United States? The President's daughter gets arrested for drunk driving. You know, you get all the scandals and whatnot, and they said, you know, in South Korea, this would never happen.

But I tell them that this is America and that's where American strength comes from. It comes from transparency. It comes from abiding by the laws and rules; and that eventually the United States has a self-correcting mechanism to head to the right direction, like you mentioned about the war in Iraq. So that's my comment, and you know I would like you to take it from that perspective rather than from the chaos that seems to reign in this country.

My question is for Masahiro. You mentioned the U.S.-Japan alliance and the rising security challenge, and could you elaborate a little bit more on what type of security challenge that you're talking about? Is it more economic? Is it military? If it is military, then what type of military security threat?

And you mentioned that one of the things that could harm the relationship is if the United States claims to hold the moral high ground, and you mentioned comfort women specifically. I was wondering whether or not the domination of Japanese politics by the right wing may promote a rift between the leadership of Japan and the United States because the Japanese right wing views the world differently.

DR. MATSUMURA: The paramount challenge in regional security, the alliance relationship in particular, is the growing potential for miscalculation by Washington and Tokyo.

As I said, from the Japanese perspective, the U.S. will experience a gradual but serious economic decline over the long term. Yet, through its military power, the U.S. is still going to have a hegemony. But over the long term Japan has to make a serious adjustment, and we have to become much more independent in the military sense. And then the question is the extent and the way we tackle with this question. If we do too little, that can endanger Japanese security. But if we do too much, we will be confronted with a so-called security dilemma in the region. So that's a major point.

And then, to me, there are two categories: elitist conservatism and right-wing populism. So I don't use words such as "right-wing politicians." As long as conservative leaders are concerned, they will adjust their policies on the basis of how the U.S. leaders treat Japan as a genuine ally. And, of course, we now have stable alliance relationship, because we have common values -- freedom and democracy. But when we come to the deep root of that question, such as philosophical underpinnings, they are different with different histories in the end.

So there should be a more comprehensive, relative understanding about Japan's history questions. For example, we remember Virginia Tech incident, and, of course, the perpetrator is wrong, a hundred percent. But I was impressed with how the U.S. media reported that question, because even though the perpetrator is totally culpable, the media tried to focus on much of the context. So there is no black and white. There should be a good understanding of the context.

So even though there is much talk on history questions, in this town, I see that politicians have to get away from this debate first of all. Then both nations have to engage in more sustained and serious intellectual endeavor to come to a common understanding or agree to disagree.

But we haven't reached to that point in which we agree to disagree. So under varying conditions, the history question has been too much politicized. I think the comfort women question has potential to significantly poison the bilateral relationship. This applies not only to the how the U.S. deals with the question, but also to how people in Tokyo deal with it. So I hope this will not begin a negative spiral.

DR. BUSH: Gerrit van der Wees, and then we'll come back.

MR. VAN DER WEES; Hi, I'm Gerrit van der Wees. I work with the Formosan Association for Public Affairs. I have a question for Liu Fu-Kuo. You mentioned the apprehension in Taiwan about U.S.-China rapprochement.

I think we agree that nobody in Taiwan is really against better U.S. relations with China, but there is frustration that Taiwan is being kept in political isolation in spite of its momentous transition to democracy, and the U.S. is patting Taiwan on the back and saying good job for this transition.

But at the same time, the United States is leaving Taiwan dangling in some kind of nebulous non- or semi-existence and not even allowing U.S. officials to talk to their democratically-elected counterparts in Taiwan.

The question is, how can the U.S. play a more constructive role in support of Taiwan's quest to be accepted as a full and equal member in the international community?

DR. LIU: Thank you, Gerrit, for this timely question. I basically agree with what you suggest, and I think everybody in Taiwan would agree with you, and we want to have a transparent understanding of the U.S.-China relationship.

But, of course, as I mentioned in my earlier presentation, the Taiwanese do have great apprehensions about positive developments between the U.S. and China, because so far it seems that the U.S. is getting closer to China. The relationship between both sides has been improved dramatically. But at the same time, it seems that we have been seeing dramatic negative effects develop. Taiwan is now facing a number of crises.

I also agree with you that we need U.S. support as we try to participate in more international organizations. Indeed, we asked several times how exactly we might be able to have U.S. assistance on this issue.

I do not know the details, perhaps some officials involved in the audience today would know, but at least from the think tank level, my understanding is that we need to work hard to develop a good plan for international participation before we can really talk to the United States. Even our Chinese friend would agree that the current state of isolation is not good for Taiwan, and also not good for cross-strait relations.

So my point is we need to gradually develop an understanding across the Taiwan Strait and among U.S., China, and Taiwan that an isolated Taiwan is in nobody's interest. But, of course, Taiwan's democratization would have to be put in the regional context, not just in the domestic context. Thank you.

DR. BUSH: Right here.

MR. SPINA: Marion Spina. I'm an attorney. Regarding the North Korean situation and the Six-Party Talks, could you predict the attitude or response of South Korea and Japan and China if the U.S. suddenly and against popular expectations were to adopt a very positive and engaging approach to North Korea, with the result that the bilateral track between the two countries moves quickly vis-à-vis the six-party track?

The reason I ask is that recently when Chris Hill visited Pyongyang, there were some negative remarks from Russia saying maybe he was leaving the six-party process behind. And back in the '90s, when the 1994 Agreed Framework was negotiated, there were a lot of instances where South Korea was nervous about the U.S. getting ahead of South Korea. And currently Japan has its own issues with North Korea that will drag out the process.

So considering that, at this moment if the U.S. were to suddenly adopt a positive and quick-moving approach in the interest of getting a good result — I mean, after all, the North Koreans are very qualified at dividing the parties — what would be the response from the three countries?

DR. BUSH: Okay. Hyeong Jung and Hiro and Shulong.

DR. PARK: I think that if the United States accelerates the engagement process with North Korea, then North Korea will give up nuclear weapons and there will be more chances for increased regional integration. And that is a good not only for the United States, South Korea, and North Korea, but for all of Northeast Asia.

DR. MATSUMURA: I remember one Japanese political cartoon from a magazine that portrayed Christopher Hill as "Kim Jong Hill." So you would see that the Japanese would be unhappy to see a sudden turn-around in the U.S. policy toward North Korea.

Many people identify two sets of important questions for Japan vis-à-vis North Korea. One is the nuclear issue and the other is the abductee issue. But I would argue that both of these problems are embedded in the same issue, and that is the nature of the North Korean regime. The two questions, the denuclearization and the abduction issues, are simply two different symptoms or faces of the same problem.

So over the long term, if we can peacefully transform the nature of the North Korean regime and if the U.S. makes the case for such transformation I think the Japanese will reluctantly accept that.

But the worst-case scenario is that North Korea becomes an established nuclear power and then that the Japanese really have to think about how to respond. That outcome may trigger an active national debate about whether Japan should go nuclear or not. So up to that point, I would argue that Japan doesn't have to be panic, but we only have the next several years to procrastinate our decision before we must have that kind of national debate.

DR. BUSH: Shulong?

DR. CHU: I see there are two countries in the world that can grow closer with North Korea than China has or China can. One is South Korea. The other is Russia. If these two countries want, they can go further, get in closer with North Korea than China can do. And I don't think the U.S. is in that position to go further with North Korea bilaterally.

Second, if the U.S. does engage North Korea more, I think that is also in China's favor. That would help to reduce confrontation between the two sides, help to resolve the issues of nuclear missiles and non-proliferation. And then, in that situation, the Chinese government would be happy if the U.S. informed other countries — Japan, ROK, Russia and China in its engagement with North Korea, which has been done so far very well.

Also, this reminds me of the 70s and 80s when the U.S. and China had a strategic relationship, each time the U.S. and the Soviet Union had a big meeting, the U.S. side informed Beijing, so it gave Beijing a relaxed and comfortable attitude towards such engagement.

DR. BUSH: Peter Schoettle.

MR. SCHOETTLE: To what extent do your countries, your governments, consider the Afghanistan and Pakistan border region to be a source of Taliban strength? Do your countries consider that a serious issue, and, if so, what are your governments prepared to do about it?

DR. BUSH: Who wants to?

DR. CHU: What we call the western frontier, the Xinjiang border with the Central Asian countries — Afghanistan, Pakistan — is the second gravest threat to Chinese security, second only to Taiwan independence.

So the Chinese government is very serious about this threat of what we call the “three evils”— terrorism, separatism, and religious extremism — in Central Asia, and it has a lot to do with the Taliban. In the past, the Taliban and Al Qaeda have operated in Pakistan. So that is a very big concern of China as far as national security. That’s the reason China is pushing the Shanghai Cooperation Organization, to address that threat from Central Asia and Pakistan.

And so these are all the reasons the Chinese government supports the war against the terrorists, standing on the U.S. side in Afghanistan and the War on Terrorism, because it’s a very much in China’s own national security interests. And then now with the situation not totally controllable in Afghanistan and Pakistan, the Chinese leaders and government have a lot of concerns, including Pakistan. We see the Foreign Minister’s statement about the safety of Chinese in Pakistan.

So Afghanistan and Pakistan remain a serious concern and threat for China. So I think the U.S., China, and others should work hard to be successful in Afghanistan and Pakistan and Central Asia.

DR. BUSH: Anybody else? Hiro?

DR. MATSUMURA: The Japanese government made a very serious engagement at the very early stage of reconstruction and rehabilitation, and then more specifically in the so-called DDR — disarmament, demobilization and reintegration — efforts. And then, you see that the Japanese government has diminished its degree of involvement, presumably because we really cannot guarantee physical security of dispatched personnel in a meaningful manner.

So considering this kind of policy action, I assume that the Japanese government is very pessimistic about the connection between the so-called tribal area and the southern part of Afghanistan. That pessimism also would also involve the perception widely shared among the Japanese and, of course, Americans. And to that extent, in the Pakistani government sector, particularly its ISI and intelligence community, is making a double talk.

But because the Musharraf regime is so fragile, we don’t have any immediate leverage to deal with this problem. I think the Japanese government is very much concerned with the situation and would like to closely coordinate its policies with the U.S. and other NATO countries. I mean, that is part of the reason why the Japanese prime minister and foreign minister visited and delivered a speech to the North Atlantic Council.

DR. BUSH: Any other comments?



DR. PARK: I frequently heard in Washington that for the United States the number one foreign policy problem is Iraq, number two is Iran, number three is Iraq, et cetera. And for South Korea, the number one problem is North Korea, number two is North Korea, number three is North Korea.

And we are preoccupied with North Korean problems. But we have a good general understanding that the war against terrorists is very important, and there is a general concern about the situation in Afghanistan and Iraq. And when there's a need, South Korea would probably contribute to the efforts.

DR. BUSH: Sure. Fu-Kuo?

DR. LIU: Thank you. In terms of this terrorist development in Afghanistan, I think that the government of Taiwan is, as most of you understand, very much inward looking at the moment. And that is a problem. But after the U.S. started its war on terror, Taiwan made substantial contributions to the joint efforts in 2002 and 2003 and we contribute substantially to U.S. efforts in Afghanistan.

I also think the U.S. needs to talk more with Pakistan, with India, and also with China, because we also see another different force developing in Central Asia. Potentially, the Shanghai Cooperation Organization may act against this kind of effort, even if they are also trying to pursue certain efforts to prevent the development of terrorism.

Everybody fears that the Taliban is really a serious problem in the region. But from my point of view, I do believe that the U.S. needs to make an extra effort to talk to countries in the region, perhaps even including Iran. Thank you.

DR. BUSH: Is there a question? The lady back there.

MS. VENKATESH: Hi, my name is Soumya Venkatesh. I'm with Amnesty International. This is just a question for Dr. Chu, and Dr. Matsumura, you can also jump in. On Tuesday, the Committee on Foreign Affairs passed, of course, the bill on comfort women and another bill calling on China to end discrimination against the Uighur minority. How do you see the two countries reacting in the face of this increased pressure, and especially China in the time before the 2008 Summer Olympics in Beijing?

DR. CHU: Well, I must say China does have human rights problems, including the relationship with minorities. You know, we always have that problem. But I think China become a much more free society, so I just would say China is not democratic, but it's quite a free society. I mean, if you live in China for a certain period of time, I think you may agree with me. I think that is the situation everywhere, including in minority areas.

So I see that China needs—especially the government—needs to do a lot to improve the human rights situation, the relationship with the media and others — freedom of the press. I see steady progress in China over the past few years. So I see that China in that sense is moving in the right direction.

On the Olympics, I think when South Korea had the Olympics, it had problems, other problems other countries have. But if you make a causal linkage between the Olympics and the problem, I don't think it's a good strategy for the way to address the issues. So I don't think that they need to be convinced by a linkage to the Olympics.

DR. BUSH: Hiro?

DR. MATSUMURA: I assume that you will hear a lot of noise from the Japanese side in response to the coming resolution. At this point just the Committee on Foreign Affairs has passed that resolution, but it has not yet reached the floor.

I do see that Japanese public opinion is divided on this issue, and then further debate is ongoing in Japan. But I am seriously concerned with a shift of Japanese public opinion. I would say that the general public sentiment is now shifting in favor of the so-called revisionism.

But, for the moment, the Japanese government position is very solid and unlikely to change. Essentially, the Japanese government position is that without knowing the details or without having established facts, it has sustained the position that it has moral responsibility, but not any legal liability to pay compensation.

So that position is sustained, and I don't think that the Japanese government would make any official announcement or any official change of the previous announcement of our policy on this issue. Yet we will hear a lot of noise from the other side of the Pacific, but nothing will change.

DR. BUSH: The gentleman right there.

MR. LADD: Dr. Culver Ladd, Payap University, Chiang Mai, Thailand. I've just returned after the month of May in China, Tibet, and Thailand. I landed in Peking on May 2nd, and I did not see the sun; went through Xi'an and Lanzhou, and then headed to Tibet. When I got to Lhasa, you could see the sun and the sky was clear. The air was fresh and it was three degrees at night. As I came back down, it was snowing in the mountains. I didn't see the sun in Chengdu or Kunming.

The comment I'm making is that there's a tremendous amount of pollution throughout these major cities in China, and yet the major issue that the press raises is

Taiwan. I wonder if this isn't somewhat of an error on the part of the Chinese government. Shouldn't they focus more on the domestic concerns that affect every one of their people deeply, not only water and air pollution, but sound pollution. Those are major issues to me. Could you address that, please, sir?

DR. CHU: I agree that this is a serious and increasingly serious problem in China, and I agree with you, but Richard asked my impression about the U.S. in the past 10 months. I have been back to Beijing three times during the past 10 months, and each time I've spent five or seven days there and during those several days I think I did not see the sun. So I'm worried. I think there are a couple of reasons that China could get worse. One is that we need economic growth to raise the living standards of our growing population. So now you are in the period of destroying the environment.

Second, I feel like the governments, including local and central authorities, are not as serious in resolving, improving the situation, although they will make a lot of speeches about the cause and pass a lot of the laws about the use of lands. And they are spending more money on the environment. But I don't see that serious work has been done, by the central and local governments.

And third, I think, the general public is still generally poor. Many Chinese are poor. They are struggling in their daily lives. What they care about most are their day-to-day lives. And the environment is important, but it's not the number-one issue. For Beijingers or Shanghainese it may be an important issue, but for the rest of the country, it is not.

So I think there needs to be more work in this area. The environment should be a priority for the Chinese government and the Chinese people now and in the future.

DR. BUSH: The gentleman back there.

QUESTION: Thank you. East Asia is different than other regions of Asia, because it has no regional forum where countries could discuss their common problems. So my question to you all is what's your opinion on this matter? Is there any indication that a regional forum where the countries in this region could discuss issues of common concern is being set up?

DR. BUSH: Great. And we'll start with Fu-Kuo and Rikkie and others.

DR. LIU: Thank you. I do not know from your remarks whether you are referring to the still-developing ASEAN + 3 or the East Asian Summit. But I see your point.

The region has experienced tremendous economic development in the past several decades, and gradually the countries in region came to fear some sort of negative

development, as the gentleman just mentioned — climate change and also pollution. The environment has seriously deteriorated in each country in East Asia.

And I do believe all of the regional multilateral organizations are — they are trying to cope with this challenge. You named the ASEAN Regional Forum. They also have special meetings on environmental protection as does APEC, and now ASEAN + 3 and even ASEAN + 1 with China, with South Korea, with Japan. They also touch upon climate change, which is a major concern. And you also can see this in the agenda of the East Asian Summit.

And looking into the future, I think regional leaders are gradually being affected by those important issues. So we are currently considering all these non-traditional security challenges to the region, challenges that are getting more serious. The obvious phenomena become even more obvious for the region. And I do believe this issue might come up at this year's APEC Summit, ASEAN Summit, and ASEAN + 3 Summit, and also the East Asian Summit near the end of the year.

DR. BUSH: Rikkie?

DR. YEUNG: Yes, Hong Kong's position is quite unique and interesting because we are not a country, but unfortunately we have, in fact, more international space than our friend from Taiwan. Hong Kong is separately represented in a number of international organizations, including the WTO and APEC, so our chief executive can literally sit side-by-side with Chinese president Hu Jintao in any of these major international economic fora.

But even without this kind of international forum, Hong Kong is the most committed or very much committed to free trade. We basically don't have tariffs. So even without any particular regional integration organization or institutions, we will often say to the whole world that if China one day wishes Hong Kong to participate in this kind of East Asian regional summit or bloc or institution, Hong Kong, of course, will be very enthusiastic about it.

DR. BUSH: Thanks. Hyeong Jung.

DR. PARK: One of the top priorities of the current South Korean government was to establish a multilateral Northeast Asia security force. And in 2005, at the Six-Party Talks, the participants agreed to establish a multilateral Northeast Asian peace and security mechanism.

And actually, the Six-Party Talks are, we can say, a nascent form of a multilateral discussion or security structure. And I hope that if we succeed or even if we don't succeed to

achieve all the objectives of the Six-Party Talks, we have a better chance to have a multilateral security structure in Northeast Asia.

DR. BUSH: Hiro, you wanted to say something on the environment issue; you can answer two questions.

DR. MATSUMURA: All right. As for the environment issue, I think you mentioned that it is primarily a domestic issue for China. True, but because China needs Japanese technology and know-how, and the Japan is only one to help China, this is going to be an issue in bilateral international relations for China.

As for regional economic integration, so far it has been driven by market forces without the simultaneous development of any significant political institutions. And this will be true for the foreseeable future. And the reason why we have difficulty in building up political institutions in Asia is the difference of the cultures and the political traditions. In particular, you have two elephants — Japan and China — dancing in a small shop, and unless the two elephants come to an agreement, nothing can be done.

And for the moment, I think the most important issue is the regional currency basket. And because the U.S. has experienced a gradual decline, and, you know, has to prepare for a soft landing rather than a hard crash in the coming economic downturn, I understand the U.S. government has tried to create two regional currency baskets: one in East Asia, and the other in the Persian Gulf area.

But so far, because of Sino-Japanese relations, U.S. policymakers have failed to persuade the Japanese and the Chinese and Southeast Asian financial leaders to form a regional currency basket. And the particular problem is that Chinese leaders are stuck to the idea of pegging the yuan to the U.S. dollar. But unlike U.S.-Japan trade frictions in the 1990s, American big business benefits from U.S.-Sino trade. So, in essence, I wonder to what extent U.S. corporations have a deeply entrenched interest to challenge the pegging of the yuan to the U.S. dollar.

DR. CHU: I think among the leaders in these countries and the academic and the business community, there has been a longstanding dream that somehow, someday, Asia should become like the European Union in its regional orientation. I think that dream, for Asia to have an “AU,” Asian Union, will become more and more prevalent in government, academia, and business, since the inter-regional trade investment and the rise of China, India, Japan and others.

So it gave them a big hope. I think that long-time dream will stay quite long—I don’t know how long. But Asia has to find another way to realize their dream. They are still in the early stage of multilateralism, regional community building, and also, as Hiro suggests, because there is no consensus between major players like Japan and China, so now

ASEAN takes leadership, sitting in the driver's seat, but ASEAN is not as strong, as useful and is not a big power, and so now Asia has difficulty to push the experience of other mechanisms, APEC, East Asia Summit, ASEAN + 3, so perhaps we need to see how Asians will go along that direction.

DR. BUSH: I have a question for Shulong and Hyeong Jung. A few questions ago, Hiro made a very interesting observation about North Korea. And the observation was that North Korea will not give up its nuclear weapon unless the North Korean system changes. That's actually a provocative hypothesis because the Six-Party Talks are based on the assumption that it will give up its nuclear weapons while preserving the existing system. Right?

So do you believe that North Korea, while preserving the existing system, will give up its nuclear weapons, or do you agree with Hiro?

DR. CHU: These days, when I read the newspapers, I'm happy to hear that North Korea has invited the IAEA inspectors to return, but I question whether this will prove to be the truth.

So on the thought about denuclearization process can be rather smooth and easy, I'm really concerned. I share the pessimism about whether North Korea will give up their nuclear weapons. They may (inaudible) sides and (inaudible), and they may be getting somewhere.

But at the same time, I think we should allow the six-party process to continue and work within it for another year or two before we come forward with this idea. And we need a changed approach. That is my basic thinking.

DR. BUSH: Okay. Hyeong Jung?

DR. PARK: I think we must observe the relations between the government and society in North Korea. In the mid-1990s, there effectively was no society. Even though over two million people died of hunger, there was no revolt against the regime. But the situation has changed.

The society in North Korea, even if it is not as vocal as we wish it to be, has changed greatly, and now the regime cannot totally ignore what the people demand of the government. And we can observe that the economic policy of the North Korean government has changed gradually to come to terms with the demands of the population that North Korea open up and find ways to develop its economy. And if the North Korean government tries to keep nuclear weapons, there's no exit for the North Korean government.

But if the North Korean government has a reasonable promise that the United States and South Korea will probably tolerate Kim Jong Il regime, and if Kim Jong Il gives up North Korean nuclear weapons, then there's still a possibility that the Kim Jong Il regime must be changed in order to cope with societal demands.

DR. BUSH: Very interesting. Okay. Some of you have already asked questions. So I'm going to go the woman back there, and then to Garrett.

MS. TARR: Thank you. Carly Tarr, the Naval Academy. My question is for Dr. Matsumura. Sir, I was wondering if you see in China's increased economic rise any potential, given Japan's history, for the softening of tensions between Japan and China on the economic front. And how that might take place and what impact do you think that would have –on Sino-Japanese-American relations.

DR. MATSUMURA: I don't know if I get your question well, but the underlying question is how interdependence between Japan and China will transform the motivations of the two nations. If that is your question, I don't know what will be actual incentives across Asia in growing interdependence and globalization. But, seen from the Japanese historical experience, interdependence will not really prevent war or any armed conflict. Japan attacked the United States even though Japan was highly dependent upon the United States.

So interdependence is at most an important factor to hamper this kind of motivation, but it will not change it. Ultimately, unless China undergoes serious political reform and becomes a democratic nation, the different political systems will always be a strong source of tensions between the two countries, even if there is growing economic interdependence. I don't think interdependence is sufficient to solve the problem.

DR. BUSH: Garrett Mitchell?

MR. MITCHELL: Thanks. Garrett Mitchell from the Mitchell Report. Appropriately enough, we've spent most of the afternoon talking about policy and political kinds of questions, and I want to step outside it for a minute, and approach you not as policy scholars or professors, but as citizens of the world and people who've just spent a big chunk of time here in our country.

I'm interested, you know, when you go back home and you reflect on this experience, what, in the time that you've been here, has surprised you the most about the country? And in any realm that you want to talk about. What's the thing that sort of sticks in your mind? And if there's a story or an incident that describes it, I'd love to hear it.

DR. BUSH: Rikkie, you want to start?

DR. YEUNG: Thank you. Since my research is very much related to domestic politics in the U.S., my number-one impression is that after almost a decade or perhaps more than a decade of quite interesting politics in the U.S., especially when we see the rise of the neo-cons and some of quite radical policies not only domestically but around the world, I think the message that I share with my fellow citizens in Hong Kong is that the U.S. is going to change in the next two years or at least after the 2008 presidential election. We are very likely to see the moderation of a lot of policies, both domestically and internationally.

DR. BUSH: Fu-Kuo?

DR. LIU: If as you asked, I step out of policy, there will be only one thing for me to say, which may come as a surprise. That is, I suddenly realized that the reason why Washington is the capital city of international politics is that so many people are interested in discussing politics. Take this room, for example. Today you can go to another think tank, another room, different subject, and it's still packed with lots of people. So this is the thing I learned about by living here — the great number of policy debates, often controversial, on many different points.

I think this is a very important reality for me to understand, especially since I'm from Taiwan. My colleague just mentioned Hong Kong enjoyed more international space than Taiwan does. So, for this reason, this has been a really educational place for me, and I think I was really surprised with the kind of high interest in this city.

DR. BUSH: But if you go 30 miles in any direction people couldn't care less.

(Laughter.)

DR. BUSH: Hyeong Jung?

DR. PARK: One of the reasons why South Korea has concluded the FTA with the United States was to have incentives to improve our service sector, and I was surprised how convenient it is to spend money here.

(Laughter.)

DR. BUSH: Hiro?

DR. MATSUMURA: I became more aware of the fact that America is a democracy still in the making, and that you are the children of the Enlightenment. I have come across many lively national debates with regard to the so-called blue and red states, and lively, deep, and varying debates over Iraq and also history questions. The Japanese would have an easier time to understand Europeans, but the Japanese have a much stronger,



deeper common interest with the United States. So we have got to learn how to live with the United States. That may be the most difficult question for the Japanese to answer.

But — again, I would say that you Americans are the children of Enlightenment, and in a positive way, you are a sort of light in the dark. But maybe most of the Japanese would say that the U.S. is necessary in the world. Yet one U.S is enough, not two.

DR. BUSH: Shulong?

DR. CHU: I think, too, there are two things that struck me most. One is foreign policy in this country, the Iraq war. I think the Iraq war should and is going to be a big lesson for this country and to every other power. That is, we should figure out how this great nation, this great power become a chaotic mess inside and in the world because of the Iraq war. And perhaps it's going to be a failure in the next couple of years.

So it's not only a lesson for U.S. but also for other countries. I try to compare it to the first Gulf War that the senior George Bush launched. I think that it was quite a successful story with U.N. support, with the support of other countries involved. This time, if we had such an alliance, we would see similar difficulties today, but I think the world community would work together to face the difficulties. So I think a lot of (inaudible) are going to pay (inaudible), especially for major powers, for decades.

The second is the domestic politics. This is my second time living in Washington after 13 years. After my studies, I lived here for six years. And I try to compare a lot of theories. I feel like there are two parts of America, increasingly divided. One is the better side of America, the high levels of people in government, think tanks, business and the basic system strengths of American technology, political system, military, are very strong, as strong as ever.

But other level of America is the declining quality of service. I think this has a lot to do with the decades-long problem of basic education in this country, and has to do a lot with increasing immigration. It's a big issue. It has a lot to do with the health system increasing failure. I think those issues like this country needs to have a serious effort to deal with — and certainly those are issues for you, for China, or maybe for Japan, too. But I think America as a leader would need to do a better job in dealing with these issues.

DR. BUSH: Okay. Thank you very much. I want to thank Garrett for that question. We've come to the end of our time. It was kind of serendipitous that you asked that question at the end. But it was a really good way to close the session.

Thank you all for coming. I want to remind you that we have a reception. It's in the Somers Room. You go out this way and turn left and then turn right.

\* \* \* \* \*