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P R O C E E D I N G S

MR. PIFER: Let's go ahead and get started. First of all, good afternoon. My name is Steven Pifer. I am a senior fellow and the director of the Arms Control Initiative here at Brookings, and it's my pleasure to welcome you to this afternoon's event which is co-sponsored by the Arms Control Initiative and also by the Center on Northeast Asian Policy Studies.

And what we're going to do is take a look at both the history, but also some of the current challenges facing U.S. extended deterrence in East Asia. And we have an excellent panel to do this today. You have the full bios, but let me just give you the highlights. We'll have first Richard Bush, who is a senior fellow here at Brookings and also the director on the Center of Northeast Asian Policy Studies. And I hope you all picked up a copy of his latest arms control paper, which looks at the issue of extended deterrence in East Asia. And I should note that at Brookings we're very grateful to Ploughshares Fund and also the McArthur Foundation for their support for the Arms Control Initiative but also for this specific production.

Our second speaker is going to be Dr. Victor Cha, who is the D.S. Song Professor of Government at Georgetown, and also director of Asian Studies there. And what I like about this panel and what I'm looking forward to is you have two people who have thought about these questions on the outside, but they both had senior experience within the U.S. government, and they've seen how you have to tackle these problems within the government.

Let me just introduce the subject very briefly by noting that nuclear deterrence is, in concept, it's fairly straightforward. It consists of persuading a potential adversary that the risks and costs of his or her proposed action far outweigh any possible gains he or she might hope to achieve. And for most of the Cold War, deterrence of an

attack, either a nuclear attack or a major conventional attack by a state actor, on the United States was fairly straightforward, because the United States had the nuclear forces to make clear to any potential adversary that there would be tremendous punishment in response to such an attack. But when you go to the question of extended nuclear deterrence, it becomes a much more complex and difficult proposition, because that consists of the United States extending its nuclear deterrent, its nuclear umbrella, and basically saying the United States is prepared to use that deterrent to protect American allies in Europe and Asia from either nuclear or conventional attack.

And that immediately raises the question of credibility. Typically, it was framed during the Cold War in the European context. Is the American president prepared to risk Chicago for Hamburg? And the way the line developed was, if you had a major Soviet/Warsaw Pact attack across the inner-German border using conventional forces and NATO conventional defenses begin to fail, would an American president be prepared to risk nuclear weapons knowing that the Soviet Union had the capability to devastate the American homeland? And particularly, as Soviet nuclear capabilities grew, this became a greater question.

Extended deterrence also is not just about deterring the adversary, but it's also about reassuring your allies, making your allies comfortable that, in fact, that commitment is there and that the United States intends to stand by it. And part of that is related to non-proliferation. Certainly, going back to the early 1960s within NATO, one of the reasons why the United States wanted to make the extended nuclear deterrent credible was that the United States did not want to see Germany, just 15, 17 years after World War II, moving to acquire a nuclear capability. So a big part of that is to reassure allies so that they do not seek their own nuclear weapons capability.

Now, in terms of how you manage this problem, there have actually

been, I think, very different solutions between how the United States has approached this issue in Europe and how it has approached it in Asia. Just to set up the contrast to Richard's discussion, in Europe, extended deterrence has tended to be rooted in a multilateral security structure in NATO, and in NATO in which you have a specific group, the nuclear planning group, that's designed to discuss nuclear posture, nuclear doctrine, nuclear policy so that there's buy-in by the allies into the deterrent policy.

Likewise, in Europe, the extended U.S. deterrent tended to be backed by a lot of nuclear weapons on the ground on the European continent. At the height in the early 1970s, there were as many as 7,000 American nuclear weapons deployed in Europe. The United States, although while maintaining a policy of neither confirming nor denying the presence of nuclear weapons at any specific location, I think was much more open about alluding to the presence of nuclear weapons in general to the presence in Europe than it ever was in the case in Asia.

And finally you had in Europe programs of cooperation, also referred to as dual-key systems, where the United States maintained custody of the nuclear weapon but there were agreements that in the event of war that weapon might be made available to an ally. For example, you might have a nuclear weapon available to a German aircraft for delivery in a way that was never done in Asia. And all of this was designed both to deter the Soviet Union and the Warsaw Pact, but also to reassure allies and involve them in a way that made them comfortable that the American deterrent would be there for them and that also that they would not have to acquire their own nuclear weapons capability. So just a couple comments on how it was done in Europe.

And now let me turn to Richard, who can begin to describe some of the different ways the problem was managed and some of the different issues that arose in East Asia. Richard.

MR. BUSH: Thank you very much, Steve. Thank you for including me in the Arms Control Initiative project on extended deterrence. Thanks to Victor for joining us this afternoon, and thanks to the staff for the production of my monograph and for preparing this program.

I'd like to make seven points in talking about extended deterrence in Asia. First of all, as Steve has indicated, extended deterrence is all about the credibility of threats. If North Korea is considering the use of force to unify the peninsula, it's more likely to abandon those plans if it is certain that the United States will react on its threat to retaliate. Pyongyang is more likely to go ahead if it concludes that the threats are idle, either because Washington does not signal well or because North Korea underestimates the U.S. resolve due to its own faulty perception. South Korea must have a high degree of confidence in our defense pledge as well; otherwise it faces the stark choice between appeasement on the one hand and an independent defense policy.

Second, as Steve also indicated, extended nuclear deterrence creates its own complications for credibility. For Japan and South Korea to insist as they do that the United States pledged to defend them with nuclear weapons and be prepared to do so imposes a most serious obligation on the United States. But if our adversaries acquire their own nuclear weapons and the ability to deliver them onto U.S. territory, that increases the risks that Washington's threats entail. That is, if an adversary is able to retaliate on the American homeland, that can reduce the credibility of the U.S. nuclear umbrella for both allies and adversaries alike, which I'm sure is one of the reasons that both China and North Korea have nuclear weapons programs. This, I suggest, is the significance of Defense Secretary Gates' statement recently that North Korean missiles and nuclear weapons together will pose a threat to the United States within five years. Once that happens, will North Korea have less fear of the United States and its threats?

And will South Korea have less confidence in Washington's commitment?

My third point is that extended nuclear deterrence is not a new issue in East Asia at all. During the Cold War, Japan, South Korea, Australia, and Taiwan -- U.S. allies or quasi-Allies, they were all allies at one time -- pursued or considered pursuing nuclear weapons programs in response to changes in the regional security situation and changes in their evaluation of the U.S. commitment. Taiwan and South Korea pursued clandestine weapons programs. In Australia, the Gorton administration in 1968 took initial steps to create a supply of fissile material. And each time Japan saw a new external vulnerability, such as when China first tested a nuclear device in 1964, it studied the option of going nuclear. In all cases these initiatives were aborted. Washington pressured South Korea and Taiwan to abandon their programs. Australia did so on its own. Japan always decided that the costs of nuclear independence did not justify giving up the benefits of the alliance. On the whole, historically extended deterrence was credible.

Fourth, it's worth pointing out that, within the countries to which we've made an extended deterrence commitment, there exist competing points of view on the role of American nuclear weapons and their own national security. Call these groups conservatives and progressives. Conservatives believe that extended nuclear deterrence contributes to their own country's security, but they seek as strong a U.S. commitment as possible. For example, South Korea's Lee Myung-bak administration sought a specific reference to extended nuclear deterrence in the Joint Vision statement that it concluded with the United States in the summer of 2009. Progressives, like Australia's former foreign minister, Gareth Evans, or Japan's former foreign minister, Okada Katsuya, believe that an emphasis on extended nuclear deterrence is inconsistent with the broader goal of creating a world without nuclear weapons.

My fifth point concerns the Obama administration's Nuclear Posture Review, which was released in April last year. I think it reflects a lot more continuity than change in U.S. policy as it applies to East Asia. It stated that the United States would work to create the conditions -- and that's a very sort of limited phrase -- under which it could adopt a policy in which the sole purpose of nuclear weapons would be to deter a nuclear attack on the U.S., its allies, and partners. There was some expectation that the U.S. would state it was the sole purpose to defend in that scenario, but we only said we would work to create conditions. That has been reassuring to our friends, because they remain within the coverage of the U.S. nuclear umbrella and for more than just a nuclear attack. There was also some thought that the U.S. would move to a no-first-use pledge, which would have been very unsettling to our Asian friends.

The Nuclear Posture Review also modified the U.S. negative security assurance and stated that the United States would not use nuclear weapons if it or its allies were attacked by a country -- even with chemical or biological weapons – if that was a nonnuclear weapons state in full compliance with its NPT obligations. But by definition, that negative security assurance does not apply to North Korea, since it is hardly in compliance with its NPT obligations and actually seeks to change its status under the NPT. And it does not apply to China, which is a nuclear weapons state. Again, this continuity should be assuring to our friends and allies.

Sixth, America's allies sometimes seek concrete measures to enhance the credibility of our commitments. Steve spoke of the different ways that we did this with our NATO allies, and not surprisingly some of our East Asian allies have sought the same kind of reassuring consultation. Discussions actually began with Japan in 2009 and reportedly we will have conversations with our South Korean allies soon through an extended deterrence policy committee. Conducting dialogues on such a sensitive

question does raise problems or questions. For Japan, for example, with whom should U.S. officials hold the consultations? Should it be officials in the national security establishment, who probably have the necessary expertise but who were elected by no one? Or should it be the leaders of the ruling party, who better reflect the country's popular will but who do not always have the substantive expertise and whose tenure in senior policy positions seem to be getting shorter all the time? Which approach better enhances credibility?

Seventh and my final point, I really think that U.S. extended deterrence should be tailored to the circumstances of the threat environment concerned. What the United States did in Europe during the Cold War was appropriate for that environment. The Soviet Union posed a serious conventional land threat to our West European allies. It had basic equivalence with America in nuclear weapons, and there was no economic interdependence to shape security intentions. Finally, we did deploy tactical nuclear weapons in Europe, and still some Europeans worried about the credibility of our commitment and how we might implement it.

Now, East Asia I think presents a different security environment. Japan is divided from Japan [ed: China] and North Korea by a significant body of water. China's nuclear arsenal is modest in comparison with that of the Soviet Union in the Cold War, and North Korea's is not yet proven. Japan, South Korea, and the United States are economically co-dependent with China. I'm not saying that there are absolutely no circumstances under which a conflict might occur where U.S.-extended deterrence would come into play. I am saying that how we reduce the sense of uncertainty both with allies and adversaries should be tailored to East Asian circumstances.

For example, North Korea presents the greatest threat to security in Northeast Asia today, not just because of its effort to acquire nuclear weapons but also

because it is engaging in a pattern of conventional provocations, provocations which South Korea has decided must be met with a retaliatory response. In this volatile situation where escalation control is not certain, it's appropriate for those powers that value regional stability and have the most to lose from instability -- the Republic of Korea, China, the United States, and Japan -- engage in closer coordination on how to contain North Korea's destabilizing conduct and to reduce the risk of escalation into a wider conflict. The same applies to the low but highly consequential possibility of the collapse of the North Korean state.

Another example. Although China does not pose the same kind of challenge to the United States and its Asian allies that the Soviet Union posed during the Cold War, it is still true that China is improving its nuclear arsenal and that one can imagine scenarios of quickly escalating conflicts involving the United States and China. It would therefore be mutually beneficial for Washington and Beijing to engage in a serious dialogue regarding strategic weapons and their potential use. It is my understanding that the United States would welcome that dialogue. China has been reluctant. A similar dialogue between China and Japan would be equally valuable to supplement the discussions that Washington and Tokyo are having themselves on extended nuclear deterrence.

So, in conclusion, extended nuclear deterrence is alive and well in East Asia. The need for credible American commitments still exists, both with respect to allies and adversaries, and even as the regional security context evolves. The countries concerned have the opportunity to clarify intentions and so enhance credibility and they should start doing so soon. Thank you very much.

MR. PIFER: Thank you, Richard. Victor.

MR. CHA: Thanks. Thank you, Steve. Thank you, Richard, for inviting

me here this afternoon.

I read your report. I thought it was really good.

MR. BUSH: Thanks.

MR. CHA: And, you know, I teach a seminar, East Asian Security, at Georgetown. I do not have a reading on extended deterrence. Now I do. That's a good piece of work.

I will make just a few comments, a couple of very brief historical ones, and then just other more conceptual and policy-related comments on the problem of extended deterrence in Asia. And I want to finish where Richard finished, which is also on this problem of North Korea.

First, on the historical side I would agree with what Richard said and wrote in his report. And in general when we look at the history of extended deterrence in Asia, it has always been a history in which there are continuous pathological fears of abandonment on the part of allies with regard to the United States. As Steven pointed out, Europe was different from Asia. You could argue that extended deterrence commitments in the process and reassurances that were involved in extended deterrence in Europe were at a scale much larger and more in-depth than they were in Asia, and still in Europe, in Western Europe, you still had during the Cold War concerns and fears about the credibility of U.S. extended deterrence. Right? The famous comment that the U.S. is not willing to trade Paris for Los Angeles, I think, is the classic example.

So, if that were the case in Europe, it's not at all surprising that in Asia these fears of abandonment and questions about the credibility of whether the United States would ever really trade Tokyo for Los Angeles are not surprising at all. The one point that I would add to that is -- or the one observation -- is these fears of U.S. abandonment were clearly in part a function of the lack of, relative to Europe, the lack of

infrastructure with regard to reassurance. But the other aspect or the other driver I think of American abandonment fears was that the United States, in creating these alliances in East Asia, was always -- had much more of a hedge built in to their security commitments in Asia than they did in Europe.

And particularly if you look at the cases of Korea and Taiwan, when you had leaders like Syng-man Rhee and Chiang Kai-shek, who were certainly interested in defending their country against Communism, but they were also interested in retaking the mainland or marching north. And for this reason, even though the U.S. was making extended deterrence commitments, there always had to be a hedge built into those commitments because you didn't want to give these leaders carte blanche or believe that they suddenly had not just a nuclear umbrella but a nuclear offensive capability now at their fingertips in which they could entrap the United States. So that was, that was also something that made extended deterrence in the context -- even though this was in the context of a larger Cold War struggle -- made it more measured on the part of the United States and therefore also created fears of abandonment in places like Korea and Taiwan. Japan to me always, again, reading Richard's report, the extraordinary thing about Japan is that one could argue that its nuclear umbrella was not necessarily that much stronger -- provided by the United States -- was not necessarily that much stronger over Japan than it was over Korea and Taiwan, yet at the same time, as Richard mentioned, the Japanese never really seriously considered pursuing a nuclear weapons program.

For me, the astounding thing about this has always been the fact that the so-called restraints that existed then and that exist today on Japan's non-nuclear status, as Peter Katzenstein and Tom Berger and others have argued, are entirely normative. Right? There was no institutional or legal constraint on Japan's pursuit or possession of nuclear weapons. This has entirely been a normative structure that they have developed

in the post-war era. You know, and I'm a realist, and that's pretty amazing. (Laughter) And I think most people upon this panel and in this room are probably realists, except for those of you who came over from SAIS. (Laughter) That's pretty amazing.

Okay. On reassurance and extended deterrence, obviously reassurance is absolutely critical. It's a critical part of extended deterrence. When North Korea conducted their first nuclear test in October of 2006 I was part of the delegation that went to the region led by then-Secretary of State Rice after the nuclear test. And when we did this trip the first stops were Japan and South Korea. And the main message, the lead talking point, the key message both publicly and privately, was about reassurance, was about the continued credibility of the U.S. nuclear umbrella. And this was a statement or a trip that was not made so much for North Korea. It was a trip, and there were messages made largely for the allies, right, as a part of this reassurance, the need to try to reassure and maintain credibility of the nuclear umbrella. And I think in the Obama-Lee joint statement a very similar thing. The pressing for explicit reference to the term nuclear deterrence in the joint statement was again part of this reassurance process.

Having said that, reassurance never -- reassurance is the thing that you must do. It's the first thing you do anytime you have an event like a North Korean nuclear test or something of this nature. At the same time, we all know it never allays abandonment fears. It never fully assuages concerns about abandonment or concerns about the credibility of extended deterrence. And I think that's for two reasons. One is that in today's world -- today's world is very different from the Cold War. And during the Cold War you could always make the argument that the periphery was always part of the larger Cold War bipolar conflict. And therefore, you could credibly make an argument that something that happened far off in Korea or in Vietnam or anywhere else was part of the core struggle against the Soviet Union. You obviously cannot make that argument

today. Structurally you cannot make that argument today, so structurally the nature of the international system today renders extended deterrent guarantees much less credible.

But the other problem I would say is also something that is referred to in the cognitive and psychological literature on international relations as an attribution error problem, which is essentially that every time the United States engages in a new dialogue on extended deterrence with South Korea or with Japan, the way the allies receive that immediately is they receive that effort by the United States as largely being motivated by the situation. In other words, oh, the United States is engaging in these new dialogues because it has to. Right? The situation requires them to do it. Right? Because of China, because of North Korea. They just have to do this.

But anytime the United States is perceived to do something that looks like it's backing off of an extended nuclear deterrence guarantee or it looks like it's wavering in terms of its commitment, that is also received as being dispositionally motivated. In other words, ah-ha, that's the way the United States really feels. Right? So this is what's known as the fundamental attribution error in the cog psych literature, and it is a dynamic that is prevalent in all aspects of alliance relations. And it is particularly prevalent when you look at this area of extended nuclear deterrence. So again, I think reassurance is these new dialogues are the way to go where in the end from a U.S. perspective you're never going to allay abandonment fears or 100 percent seal credibility of your commitment.

The last two points, because I don't want to go too long, are on security assurances. The security assurances, no first use. Negative security assurances always come up in a discussion about extended deterrence. I agree that these things are important but I would say that they -- they may -- negative security assurances or no first

use may reduce threats, but they really do not enhance deterrence. It comes up as a topic in these discussions, but they do not actually enhance deterrence. At best, it skirts the problem of the credibility of extended deterrence by trying to basically reduce the possibility of a scenario arising in which U.S. commitments would be tested.

When, again, in September of 2005, when we were negotiating in the six-party talks with North Korea, we negotiated a statement in the 2005 joint statement which says that the United States -- "the United States has no intent to attack North Korea with nuclear or conventional weapons." At the time that this statement was negotiated, some of you have heard me say this, when this language was raised as a possibility in the joint statement I just said -- I just thought there's no way that Washington is going to accept this. This was, remember, this isn't the Obama -- this was the Bush administration. (Laughter) That they're going to accept this language. And, I went back to the hotel room that night and thought there's no way. I thought we were coming home the next day. And it was accepted. And when we brought the paper into the room the next morning, we said this language has been accepted by Washington. And the Chinese looked at us like, really? (Laughter) The North Koreans, everybody. And then the Russian delegation asked for a recess. I mean, we had just started the day and they asked for a recess. And we said, recess? They said yes, we'd like to have a bilateral meeting with the North Koreans. So we asked them what they did in their bilateral meeting, and they said, we told the North Koreans that we think that you, the Americans, are actually serious this time because this language that you just accepted -- the United States has no intent to attack North Korea with nuclear or conventional weapons -- is the sort of assurance that we were trying to get from you throughout the Cold War, and we could never get it from you. So the fact that you've made this statement, in our minds means that you're quite -- you're quite serious.

I think that was helpful in terms of enhancing the credibility of the United States at the negotiation table, but of course it wasn't very successful in helping us to denuclearize North Korea. Right? They just simply pocketed what was basically a negative security assurance and no first use assurance and then went on and did a second nuclear test and they've been enhancing their arsenal ever since.

Which leads me to my last set of points about North Korea. The paper that Richard wrote in other words often talks about how one of the main drivers of countries like North Korea, in terms of their nuclear weapons, is this insecurity, this deep and intense insecurity that they fear threats from the outside. But in my own mind this insecurity, this drive for nuclear weapons, stems less from the external threat and much more from the nature of the regime and the inherent paranoia that a regime like this feels. It feels like it's threatened. This regime would feel like it was threatened if it was surrounded by Costa Rica as opposed to the United States, China, Japan, and Korea. And that has more to do with the nature of the regime than it does anything else. We see how the regime has responded to the events in Egypt and how they've been trying to block all news about these sorts of things. This is paranoia inherent in the regime.

Finally, I think our biggest problem when it comes to deterrence -- extended deterrence with North Korea -- is not so much the credibility of our reassurances and our dialogues with South Korea. The big problem I see right now is that I fear that the DPRK in their own minds have an incorrect understanding of nuclear deterrence. In other words, I'm concerned that the DPRK, because it has done two nuclear tests and because it constantly refers to itself as a nuclear weapon state, really does believe that they are a nuclear weapon state today, despite the fact that they don't have assured second-strike capability or any system of systems that would ensure the survivability of their nuclear capabilities. They, in their own minds, may believe that they

are now invulnerable to any sort of attack or retaliation.

When you try to understand or explain why they do things like sink the Cheonan or fire artillery on South Korean territory, there are lots of theories about the regime and regime transition and all this. But one that we don't really think about as much, which I think we should, is that this regime after so many years may really believe it's a nuclear weapon state. And as a nuclear weapon state it may feel that no one is going to touch it. No one is going to dare retaliate against it because it has some existential capability. And this will then lead it to become even more aggressive as it continues to try to push the South Koreans and others into basically offering them things to maintain the peaceful status quo.

So I think this is one of our biggest challenges when we come to dealing with North Korea -- is how do we get them to understand that they are vulnerable and that they do not have a nuclear deterrent? How do you do that without having a dialogue about nuclear deterrence with them, which you cannot do because then the South Koreans and the Japanese would say you've basically recognized them as a nuclear weapons state if you're willing to sit down and have a dialogue with them about nuclear deterrence.

And on that happy note I'll turn it back to Steve.

MR. PIFER: Great. Well, first of all, let me thank both the speakers for a really interesting set of observations. And let me take the prerogative and pose the first question, which is over the last 20 years with the end of the Cold War and the end of the Soviet Union, I think nuclear deterrence figures less in European security thinking. And as one of the results of the NATO Lisbon Summit in November, NATO is now embarking on a deterrence and defense posture review which will probably play out over the course of the year. And among the things we'll look at, what's the role of nuclear weapons? And

some ideas that you hear kicking around in Washington and some European capitals is that NATO might move towards an era where deterrence rests less on nuclear weapons and begins to rest somewhere on perhaps missile defense, long-range conventional strike mechanisms. Now, of course, the possibilities may be limited by budget issues but the question is, could you make the extended deterrent not solely nuclear but based on other capabilities. Is there any kind of discussion like that going on in East Asia?

MR. BUSH: There's not much discussion that I know of. I think one of the effects of the shelling of Yeonpyeong Island in November of last year was that it forced the discussion at least within South Korea and between South Korea and the United States about the need to strengthen deterrence at the tactical conventional level.

MR. PIFER: Okay.

MR. BUSH: You know, the problems of nuclear deterrence still remained but I think both our countries realized a weakness and a vulnerability at this lower level, so we needed the full spectrum.

MR. CHA: Yeah, I'd agree that in the aftermath of Yeonpyeong that there has been more Track One dialogue on enhancing conventional deterrence because I think they're, when we look at North Korea we're good at some things when we deal with -- we're very good with rewarding them. We know how to reward their bad behavior. (Laughter) We do know how to punish them in terms of sanctioning and U.N. Security Council sanctions and everything. But -- and we thought we were always good at conventional deterrence. That's something we always thought we were good at. We were not good at deterring nuclear tests or missile tests. We just have not been able to do that.

And I think what Yeonpyeong and Cheonan really raised in the minds of many was that we may not be very good at conventional deterrence and that has I think

spurred a lot of this Track One. At the Track Two level, as Richard mentions in his paper, there is more discussions now. Pacific Forum has done a lot of these on the question of enhancing nuclear, extended nuclear deterrence. And issues that have come up at the Track Two level have been things like missile defense and others. But I don't think they've made the leap yet into the Track One dialogue.

MR. PIFER: Okay. Great. Well, let me open up the floor to questions. When you are recognized, please, one, wait for the microphone and then if you could identify yourself and your affiliation, please.

MR. BUSH: There's one way back there.

MR. PIFER: Back in the back.

MR. WALTON: Timothy Walton with Delex Consulting Studies and Analysis.

I'd open up the question to the panel if I may. Continuing with the topic of conventional extended deterrence, you spoke a bit about North Korea. What about vis-à-vis China? In the last year we've heard about, you know, South Koreans, the Japanese pursuing longer range cruise missile options and possibly even considering ballistic missile options. What are your thoughts on missile technology control regime, INF, and has there been any dialogue in this regard? Thank you.

MR. BUSH: You meant with China, right? You're talking about China?

MR. PIFER: I'm not aware of any. No.

MR. BUSH: I'm not sure I fully got the question. It has been revealed in the press that South Korea is seeking greater flexibility on the range of its conventional missiles. And as far as missiles with China, I'm not aware of anything. There is the question at least about the extent of China's capability with an anti-ship ballistic missile which would affect the -- the security of our carriers in the Western Pacific if it was ever

proven.

MR. PIFER: Okay. Up here in the front.

MR. MITCHELL: Thanks. Garrett Mitchell from the Mitchell Report.

I want to ask a two-part question. The first is to Richard; the second would be to Dr. Cha. And I presume you'll understand the context in which this question is asked. And that is this. Why are we talking about this now? When we think about how crowded the sort of foreign policy national security agenda is around the world, why this monograph now? Why -- what raises this to a level that says time to do a monograph, time to get foundation support, time to have this discussion? That's the first part of the question.

The second is this sort of intriguing notion of -- that we need to understand that the DPRK believes that it is -- sees itself as being a nuclear power -- as a nuclear power. And therefore doesn't understand that the rest of the world doesn't see them that way and that they are, in fact, vulnerable to attack as opposed to invulnerable. And the question that I have is I wonder if their assumption that they are not vulnerable to attack is accurate, not because they are a credible nuclear power but because they might be and we know what happens to the South. So I'd be interested in your thinking on that.

MR. PIFER: Right. Why don't I take a crack at the first part. Why look at extended deterrence now? And I think there are a number of reasons for it. I mean, first of all I think when you look at the concept of extended deterrence and both how you're trying to affect the calculations of potential adversaries, as well as the calculations of your allies who you're trying to reassure. That's a dynamic process. That's always going. And so as events change you need to be thinking about that because, you know, what made extended deterrence work 15 years ago may not be the smartest way to do it now.

Just in terms of specific timing, a year ago, well, 10 months ago you had the release of a Nuclear Posture Review, which talked about how the United States was beginning to adjust its nuclear deterrence policy and, in fact, its extended deterrence policy. For example, I think the United States is now moving towards making nuclear deterrence a little bit more predictable in saying we're trying to narrow the circumstances in which the United States might resort to nuclear weapons. And that's an interesting development. You know, France, for example, believes completely the opposite, which is you keep the circumstances about when you might use nuclear weapons as ambiguous as possible as a way of maximizing the deterrent impact. But that Nuclear Posture Review is beginning, I think, to affect some thinking. And then also within the NATO context you've got thinking going on now in the context of this deterrence and defense posture review about how might extended deterrence change. And then if you look at what's going on in Asia, this is, I think, you could say is this the right time as opposed to a year and a half ago? I mean, I think it's a concept that you probably ought to have to keep thinking about because if you want to have the policy be as effective as possible you're always going to be trying to fine tune it to the circumstances, both about potential adversaries and about allies.

MR. BUSH: A somewhat more specific answer, there has been bubbling for a couple of years a desire on the part of the Japanese and I think also the South Koreans to have a bit of a look under the tent on how we would execute extended deterrence. And a desire that we communicate more details as we have with the Europeans. And the European example was there.

I think one of the things that triggered this desire is reflected in the statement that Secretary Gates made a few weeks ago, that North Korea is moving in a direction where within a finite period of time it can hold hostage the homeland of the

United States. And then that transforms the whole security calculus of friends and allies alike.

MR. CHA: On the question of conventional deterrence, basically, do the North Koreans -- does the whole question of whether they believe in nuclear deterrence or not matter if they believe they have a conventional deterrent that makes them invulnerable? What I think is interesting is that they -- we know the scenario of all the artillery that could potentially rain on Seoul. But I think that their assessments of their own conventional capabilities are probably much lower than our assessments in the sense that they really know -- they really know how poorly they have maintained their military over the past 30, 40 years. I would imagine that also includes deterioration of their forward deployed artillery. So, for them, and we've known this for 25 years now, that they have sought nuclear weapons specifically for this purpose because they believe that, if they have nuclear weapons, the United States will not attack them. They've said to me you will not attack us if we have nuclear. You attacked Afghanistan because they don't have nuclear weapons, and you attacked Iraq because they don't have nuclear weapons. But you will never attack Iran and you will never attack us if we have nuclear weapons. So I think that this sort of thinking is behind what as I said is I think a very misconceived, poorly conceived notion of how they understand the value of whatever nuclear capacity they have now. And it's, frankly it's very dangerous.

MR. BUSH: Do you think Kim Jong-il understands the weakness of their conventional forces even if the artillery commanders at the DMZ understand it?

MR. CHA: Who knows? (Laughter) Who knows? But, again, I think you come to this line of thinking when you try to understand the reasons why they did the two major conventional provocations in such a short span of time on a scale that we really haven't seen since 1968.

MR. BUSH: Right. Yeah.

MR. CHA: So there's something else that has to be operating them and I think this may be one of the things.

SPEAKER: I was wondering if anyone on the panel had any thoughts or views on how, for instance, Chinese counter deterrence strategies are impacting their own force structure. So for instance, you'll see there's a lot of reports of Chinese cyber attacks and you could view that as attacking the logistics tail for something like Taiwan, or their anti-satellite capabilities, all things that are designed to prolong U.S. response to repudiative action on their part. If you guys have any thoughts on what that implies, both for their force structure and for the strategic position that China is taking, I'd be interested to hear it.

MR. BUSH: I'll give you a general answer. I think that a lot of what China has been doing has been driven by fears that begin to deepen around 1999 that Taiwan was preparing for a breakout. And so part of the buildup had to do with punishing Taiwan if deterrence failed. Deterrence against Taiwan independence. Part of it was, as you suggested, was to complicate U.S. efforts to intervene. And they concluded correctly that it was better to go at the U.S. points of vulnerability rather than our points of strength. And so our communications architecture became a target focus for their development, cyber as well. I think that that effort continues. There's probably reasons beyond Taiwan to do it but, the more standard conventional forces are being built up in a steady way at the same time. And I expect that to continue.

MR. PIFER: Can I follow up on that question, Richard?

MR. BUSH: Sure.

MR. PIFER: When I look at deterrence in the U.S.-Russia context, I mean, we've been talking to Moscow about this for 40 or 50 years, and I think we have a

pretty good understanding about how the Russians think about deterrence and vice versa. My sense is that we have less of a sense about how China thinks about it and where China is going. And it, what's China's plans for its force structure? What doctrine does it use? And it arose, for example, in the context of the debate over New START where one of the arguments about New START -- and I don't think this had a lot of validity but someone was saying, gee, as the United States and Russia come down, are they going to come down to a point where China, which previously didn't see itself as being able to compete in nuclear weapons with Moscow and Washington, concludes that maybe it can make that buildup. I'm not sure that that's the right argument, but it seems that to the extent there is ambiguity about Chinese plans it leads to, you know, worse case assumptions in Washington and Moscow. Is that an issue that you think might be clarified in the future? How do you get the Chinese into this sort of dialogue where people would understand better where they plan to go?

MR. BUSH: Well, I think there is a fair amount of writing in military journals about this subject, and so for scholars who work on it it's not a desert. What this reading suggests is that China has not yet moved from a doctrine of minimal deterrence. You know, they simply want to be able to hit Los Angeles if it's necessary or to be seen to be able to hit Los Angeles. There have been suggestions over the last 20 years that maybe it's moving beyond that to have a greater capability, but the answer that people always come to is not yet.

As I suggested, we have been urging for some time, first the Bush administration and now the Obama administration, to have a more than sterile discussion with them about the purpose of nuclear weapons. And up until now there's been a reluctance to do that. I expect that the Chinese will be willing to engage on that at the point that they see it's in their own security interest to do so. I expect that that's when the

Russians were willing to do that and the Soviets. Up until this point, the Chinese have felt that it contributes to their security by being obscure and vague.

MR. PIFER: Question at the back.

MR. LU: Ping Lu of China Times, Taiwan.

One of the recommendations says the United States should continue to encourage the process of reconciliation underway between the two sides of the Taiwan Strait. May I ask what's the relation between this process of reconciliation and the United States' extended deterrence? Thank you.

MR. BUSH: Good question. I came to that recommendation because I felt that we had to start with those situations in East Asia that were most likely to lead to war, either deliberate war or accidental war. And we have a couple of possibilities on the Korean Peninsula, both an escalation as a result of provocation and retaliation. There is a danger of regional war from a collapse in North Korea. But the war scenario that people were worried about five years ago, 10 years ago was in the Taiwan Strait. Again, it was a concern that something would happen through accident, miscalculation, and fortunately we are not in that situation today but, so, and the process that has occurred since Ma Ying-jeou became president has been good for the United States. And good for Taiwan as well, and good for China. Therefore, we should continue to encourage it because it's -- it changes the strategic environment in East Asia in a good way. Obviously, it's up to the leaders on Taiwan to decide how fast this reconciliation should go, what areas it should focus on. Should it focus on economic areas or political areas or security areas? Clearly, if the public on Taiwan doesn't support it then, it's not going to go forward. If Taiwan's leaders don't think it's in the country's interest to go forward in a particular direction or a particular pace, we should respect that point of view.

MR. GOODBY: Jim Goodby, Brookings Institution.

Richard, this is a question I'd like you to respond to from the standpoint of my casting a little doubt about your very valid proposition for more serious discussions with China about nuclear issues. Doubt about putting that discussion very much needed in the framework of paper on extended deterrence and reassurance because I'm not very convinced that out of an abstract discussion with China and with the allies about red lines under which one might employ nuclear weapons you do very much either for deterrence, extended deterrence or for reassurance. And I think that you may even do some damage to the idea of talking with China about a lot of issues that we have a lot of interest in discussion. For example, ballistic missile defense, nonproliferation issues.

So I'm wondering if you would consider separating that very valid idea about discussions with China from something that is aimed at trying to reassure Japan and South Korea about nuclear deterrence. It seems to me the two are a little bit disconnected and I wonder if you could comment on that.

MR. BUSH: It's a very good question. I think I understand it. The -- I guess I would say that the primary motivation for discussing these issues with China is a bilateral one. Just as we saw a national security value in talking about these issues with the Soviet Union, there is probably a value which China does not yet see in doing so with them. I guess the link to our allies and issues of extended deterrence is that the scenarios under which you might anticipate even a low probability of some kind of conflict with China have to do with the situation in the Korean Peninsula, something in the East China Sea, Taiwan Strait and so on, so that those scenarios come into play.

I guess I would -- I'd also say that, when it comes to Japan and strengthening Japanese confidence in our extended deterrence pledge, it's important for Japan and the United States to talk, that will be reassuring to Japan. But I think it's also important and useful for Japan and China to talk because I think that that, if it ever

occurred, could help the Japanese view their security situation in something other than a sort of Cold War Western Europe framework, which has tended to be the framework that they use.

MR. PARK: I'm Sun-won Park with the CNAPS Brookings Institution.

It's very timely to discuss about the extended deterrence because unless Korea took a second detonation test, probably they would have a third nuclear test even using a uranium bomb. So it is very much necessary to enhance the U.S. commitment to allies. But the problem is that in your paper you emphasize that the U.S., Korea, Japan could start consultation even on the level of operation of nuclear counterattack or deterioration in midterm. All right? So if North Korea takes a third nuclear test then our (inaudible) should come earlier. So you use the word midterm but it could take place in a very short term. So I think that you need to develop the condition about this midterm discussion.

MR. BUSH: Well, it's a fair point. You know, obviously as the security situation changes, we will have to make adjustments, and I think the U.S. administration will take its cues from our allies on how fast we should take this. I would say that this sort of discussion is very sensitive. It involves confidence-building on each side and so there is a value in moving it forward in a measured way.

MR. CHA: I -- I mean, I would agree with Sun-won's concern that I think everybody is concerned about a third test. And if there was a third test it would show us a number of things. One, that they would probably greatly enhance their capabilities. Two, we just don't know how to deter these tests. They do them when they want to and we just have no manner of deterring these tests. I mean, the threat of another U.N. Security Council resolution does not seem a credible type of punishment that would deter them from testing.

So what you're left with then is trying to do things in response to these, which are some of the things that Richard mentions in his paper -- a trilateral, more operational, operational discussion. There are, as he said, incredible sensitivities that come along with that in no small part, and I think you also mention this in the paper, is that both the Japanese -- and Washington leaks like a sieve -- but so does Tokyo and Seoul. And if those sorts of discussions start to seep out into the political atmosphere, what you don't want is a political discussion on this; you want an operational one and there are real challenges I think there.

SPEAKER: Thank you. My name is (inaudible) with Chinese Media Net.

I have two questions. The first is (inaudible) developments in China's position on North Korea issue and the second is a budget issue. Is this going to hinder U.S. ability to reassure its allies in Northeast Asia? Thank you.

MR. BUSH: Well, to take your second question first, I am worried in the medium term about the impact of the budget situation for our defense forces in Asia. I think it's very early in the process to know what the outcome will be. And so it's really premature to be too anxious or worried. If I understood your first question, it was developments on China's policy towards North Korea. China's position on North Korea. Yeah. Well, to be perfectly frank I think that the Chinese position on North Korea began to diverge from the U.S. position as long ago as the end of 2009. And as a result our two countries define the nature of the problem in different ways. We defined our respective interests in different and sometimes conflicting ways, and we differed on what to do about the problem. And this was really not consistent with the basic idea that our two countries should cooperate together in facing the big challenges to the international system. I think President Hu Jintao's summit to Washington, D.C. last month may have helped begin a reconvergence in our position. China in the joint statement acknowledged concern about

North Korea's uranium enrichment programs. But I think that it remains to be seen how much we will reconverge. China has recently blocked, reportedly blocked, a report in the United Nations about the effectiveness of sanctions against North Korea. A real test would come if North Korea tested a third nuclear device. I think that would reflect a real failure in Chinese policy.

MR. CHA: There's not much that I would disagree with there. I think that the Hu-Obama Summit joint statement and the statement on the uranium program was a good one. It was the first statement that the Chinese had made on the issue and I thought it was a strong one. I think there was a lot of talk at that time about how the U.S. and China were now of a common mind on North Korea, and I think that that was true for the moment in the sense that they both agree that they didn't want a war to start on the Korean Peninsula because of either North Korean miscalculation or South Korean overzealousness. That was what they had a common mind on but I think at least the newspaper reports of events since then show that there still are some pretty big gaps between Washington and Beijing on how to deal with the problem.

MR. PIFER: In the front.

MR. GORDON: Bernard Gordon, University of New Hampshire.

The question was raised at the outset by the fellow -- I think Mr. Mitchell -- as to the timing, whether it's an appropriate time and why you've undertaken this study at this point in time. Let me go back to that because I want to ask you about it, all three of you, whether -- and this may not have been in the background when you launched this study. But is it possible or is it reasonable to think that as a result of perceived changes in China's policies since -- all through the year 2010 -- perceived changes on the part of Japan, on the part of several of the southeast Asian states, that -- and let me give one particular illustration that just comes up this past week. Some of you may recall that New

Zealand for many years did not allow any visits by nuclear-powered or nuclear-armed ships, and therefore, relinquished its ANZUS military alliance with the United States. Just this past week on the occasion of a TPP meeting, the New Zealand trade minister -- it was rather amusing actually because he went out of his way to say, we have known and we have always known, which is not true, that the United States has always been the guarantor of collective security in the Asian-Pacific region and we always understood that.

Well, I mean, that's a small country and not particularly apropos. But my broader point is whether it may be a better explanation or a useful explanation of why your effort now is particularly timely because of the seeming reassessment of China's intentions in the region. And I'm not commenting on whether that's accurate or not, but the clear evidence that among a number of the states there is a movement to reaffirm their economic security and political ties with the United States.

MR. BUSH: Well, as a practical matter my work on this issue was part of a larger effort here at Brookings on extended deterrence around the world. And it was due to Steve's leadership and entrepreneurialism about over a year ago that he saw this as an important issue or component of the Nuclear Posture Review and he mobilized a group here to do it. And there was a monograph that dealt with this on a worldwide basis, and I'm only getting out a longer version of my essay in that publication now. It is probably useful that it comes out now because I agree with the premise of your question that Chinese foreign policy during 2010 created great anxieties in East Asia and that actually benefitted the United States but it also encouraged a need for reassurance on the part of our allies. Hopefully it will encourage China to reconsider the disaster that it brought upon itself and sort of align itself more with the United States. But I think that the timing had more to do with sort of Steve's effort and my work schedule and so on.

MR. PIFER: And I just might mention we put out a long monograph in May of last year. We had six authors here at Brookings taking a look at it worldwide. But we also concluded that, with six of us there we weren't sure that we could all agree on the same policy recommendations at the end so that paper was largely in design to say these are the issues. And then what we tried to do, first with Richard's paper and we may have a couple of other offshoots, then going to step beyond looking in a bit more detail but also, as Richard concluded, some policy prescriptions that are easier to write when you have just one author as opposed to six authors. So we hope to become a bit more prescriptive now.

In the front.

MR. YONEYAMA: Thank you. Yoneyama from Mitsui & Co., a Japanese multinational.

As you know, DPJ couldn't implement the corrective difference matters and so militarily it's one way. Japan cannot contribute militarily to the U.S. and the U.S. solely extend your deterrence. And in your calculated -- I'm sorry, in your scenario of miscalculation (inaudible) and if Japanese defense forces couldn't, you know, meet certain expectations because of the limitations, is it going to hurt the extended deterrence or reassurance from the U.S. side in the sense of public perception? Thank you.

MR. BUSH: First of all, I think that our extended nuclear deterrence commitment to Japan is in a separate category. And it remains very important to U.S. policy and we take that very seriously and we understand Japan's -- the importance that Japan places on it even though there may be a disagreement in Japan on broader nuclear policy. I do think that Japan's approach to collective defense, collective self defense, has become an obstacle in the alliance because, when you apply that policy toward specific situations, it means that our alliance cannot work as well as it could. And

so for example, if because of a North Korean provocation there is some terrible -- and God forbid a -- conflict on the Korean Peninsula, under the bilateral understanding between the United States and Japan, Japan could help the United States in certain ways. Logistics and so on. But could Japan help South Korea? Probably not at this point. Well, that reduces our joint effectiveness in dealing with the problem.

MR. CHA: I would just add that -- I don't think it is a problem for -- the scenario that you drew out, I don't think is a problem for credibility of extended deterrence but it is a problem for the alliance. I mean, very clearly a problem in terms of either this idea of secondary support for the ROK or support in terms of missile defense. It would be a crisis of the alliance quite frankly, I think.

MR. PIFER: I was actually at a different discussion this morning where I heard somebody describe that, under the missile defense arrangements now, American missile defense assets in the Japan area would be automatically considered as dedicated protection of Japan. But the flipside wasn't exactly true – a North Korean launch against Alaska, if and when they reach a missile of that capability, it's not necessarily given that Japan's missile defense capabilities would be there. And that I think could be corrosive.

MR. CHA: You know, the interesting thing when I was reading Richard's report, the other interesting thing was you look at the way that the progressive government -- current progressive government -- in Japan has dealt with these issues and then I think in the paper you talk about you have progressive government in Japan, a conservative government in Korea. And it's quite interesting when you think about the progressive government in Korea at the time. There were issues that they had with the United States but the whole nuclear (inaudible) was not one of those issues. I mean, strategic flexibility was an issue. The movement of U.S. forces on and off the peninsula. But these sorts of questions weren't. And that was just an interesting comparison how

the two progressive governments dealt with this issue very differently.

MR. BUSH: Well, we can thank Park Sun-won for that.

MR. CHA: Yeah. Yeah. Yeah. So.

MR. LIU: Weidong Liu from Chinese Academy of Social Sciences.

We all know North Korea didn't attack another -- launch another attack after the Yeonpyeong Island. And I think it's not because of American military drills but maybe Chinese government is a serious one. And I also think the American government, Obama administration, just knows it has neither energy nor means to solve the North Korean problem. Just as Professor Cha has just mentioned, America is always good at rewarding, not deterrence. So under these circumstances, I want to know both of your opinions on what the American government can do to cope with the North Korea nuclear issue and does America still have the intention to do so? Thank you.

MR. BUSH: Well, first of all, let's be clear that the obstacle to solving the North Korean nuclear problem is North Korea. As Victor has suggested, North Korea has some fundamental reasons why it wanted to get nuclear weapons in the first place and why it chooses to keep them. And this has an effect on the security of South Korea and the security of Japan, the security of the United States, but also the security of China. And so we all have some responsibility to deal with this.

I have not lost hope that North Korea will reconsider its policies. Perhaps when the new leadership after Kim Jong-il's death consolidates its position, maybe it will reconsider its nuclear policy. I don't think the chances of that are extremely high but I hope that such a reassessment will occur. If North Korea keeps -- decides to continue its nuclear program and to continue to engage in various kinds of provocations, then I think it's the job of responsible countries to contain that situation as best they can through whatever means necessary. I think that the United States would be very serious

about doing it but I think we would also look to China to play its part in containing the effects of destabilization of North Korea.

On the -- well, that's okay. That's enough.

MR. CHA: On the whole question of a no North Korean response to the live fire artillery exercises on Yeonpyeong Island, your question suggested it wasn't anything the United States did but it was what China did with North Korea that was the reason we didn't have a crisis then. And my question would then be: can you tell us what the Chinese did or said? Because that would be important to know. I mean, did they say to the North Koreans if you start a war we will not support you? Or did they say to the North Koreans if you provoke while they do this exercise we think the South Koreans will attack you? Or did they say if you provoke we will punish you by sanctioning your something else. I'd be curious to know what was the message that the Chinese said. My own view is I think the North didn't respond to that exercise perhaps because of something the Chinese said, but they also didn't respond because I don't think it is North Korea's M.O. to provoke directly into the teeth of an exercise. In other words, they sunk the Cheonan because it was vulnerable. The attack on Yeonpyeong Island happened because it was sort of a hit-and-run attack. I don't think that the North is going to provoke in areas where the U.S. and the ROK and others are actively exercising because they know that they would not do well if they did that.

So in that sense one of the things that does appear to be working in terms of conventional deterrence is this up-tempo and exercising. I know that, from many in Beijing, they see this as more provocative than anything else, but I think for many on the other side, from the U.S. and ROK perspective, it is what helps to deter the North from carrying out more of these very dangerous conventional provocations which could easily spiral out of control given the domestic political climate in the South.

MR. PIFER: Question at the back there.

MR. HAROLD: Scott Harold from the RAND Corporation.

Richard, the last questioner posed a comment that struck me in particular and that was it sounded like it reflected an assessment, a Chinese assessment about the U.S. will to stay in Asia, the U.S. will to fight if need be in support of U.S. alliances in particular with the ROC. And I wonder, given the activities that we've seen in Asia and U.S. policy in Asia over the last year, if you could give us your assessment, were those (a) motivated by concerns about Chinese assessments of the U.S. will to stay and fight in Asia if need be; and (b) were they smart steps and are there other steps that you think undergird or are required to maintain deterrence in East Asia -- extended deterrence. Thank you.

MR. BUSH: Well, I don't know what was in the minds of our former colleagues when they took the steps that they did. I think the primary motivating factor was a -- first of all, that North Korea was acting in a very destabilizing way and that had to be -- there needed a response. That it was very important in those circumstances that we provide strong support to our ally and I think where China came in was more a belief that China had not done a proper job in restraining North Korea from carrying out these provocations in the first place and that China to some extent had given North Korea a blank check and then, as one person has put it, chose merely to act as North Korea's defense attorney. And so it was necessary to strengthen deterrence and, if China saw that as a threat to its own national security, then perhaps it would go to the source of the problem, which was North Korea and its relationship to North Korea.

MR. PIFER: We have time for one last question there at the back.

SPEAKER: Pat (inaudible).

I just want to touch on a comment that was made earlier. One of you

commented that our allies have kind of wanted to look under the tent for some time and there has been an increased effort in that in the past couple of years. And I was curious. You seem to allude to the fact that that might solely be based on regional action and regional disturbances in the area of growing power for various situations. But I was wondering in light of this administration's -- of what some have claimed softening of our nuclear posture, concerns especially say for Japan on the retirement of TLAM-N that there may be a concern about U.S. credibility of our nuclear umbrella.

MR. BUSH: Do you have an immediate response? I'm worn out.

MR. CHA: Well, part of it goes back to the earlier question of the timing of this and all the other activities. I think, on the one hand, you can look at all the activities that have been done in the past year, year and a half, and say this is part of a very proactive agenda to reassure, reinforce these alliances. The other way of looking at it is that it is in many ways a response to concerns, after the new Nuclear Posture Review and President Obama's speech, that there were more murmurs and concerns about the credibility of the American commitment and extended deterrence. So, I think you can look at what has been done over the past time, past year and a half. Is the glass half full or the glass half empty? I would just go back to my earlier initial remark which is, regardless of what happens on the policy side, I guess I would argue that structurally you are going to continue to have allied concerns about the credibility of extended nuclear deterrence. Again, because of structure and also because of some of these perceptual issues that I think constantly plague allied views of U.S. commitment. Does a decrease in U.S. capacity, whether it's economic or otherwise, as one of the questioners said, raise more concerns on the part of allies about the credibility of the American presence and extended deterrence? Absolutely it does. But in my own view that does not cause the region then to say forget the United States. They cannot provide the same private or

public goods that they used to. On the contrary, it causes the region to look and ask for the United States more.

So, this -- perhaps the fact that -- and the administration says it -- that we are back in Asia now. Is that a manifestation of declining American strength? Or is it a reassertion of American presence? Again, it's glass half full or glass half empty. But again I think these concerns that allies feel, this is going to happen whether the United States is perceived as declining in terms of capacity or not. I think it's just structurally always going to be there and every administration that comes and tries to manage it in a certain way -- and I would say that this administration thus far has tried to manage it and they've done a pretty good job of it.

MR. BUSH: I would only add, now that I've formulated my thoughts, that my recollection is that these concerns started before the Obama administration came in. And they are really a response to the changing strategic situation in northeast Asia, particularly North Korea, and the acquisition of a nuclear capability, probably less than they think but still serious. And you also have China modernizing its nuclear arsenal. It's doing more in that regard than any other nuclear power. And so anytime you have a change in the strategic equation and because you have these structural problems you would expect anxieties to be expressed in a new way and reassurance sought in new ways. I think that the fact that we had this European example grew on our Asian friends and they used that as a point of reference, but that's fine. And I agree that the Obama administration has been responsive to that.

MR. PIFER: Well, Richard, Victor, thank you very much. Please join me in thanking our panelists for a very interesting discussion.

(Applause)

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