

# **Institutional Architecture for Asian Security: Clumsy Interactions and Poor Construction**

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## I. INTRODUCTION

It is frequently pointed out that regional cooperation is poorly institutionalized in Asia in comparison with Europe. This phenomenon is especially noticeable in the field of security. Even in the economic field, the prospect of our having an Asian Economic Community is still as dim as ever. However, some progress has been achieved at the bilateral and sub-regional levels. We have now the ASEAN Free Trade Area (AFTA), a network of bilateral swap agreements (Chiang Mai Initiative), a few bilateral free trade agreements (FTAs), and the China-ASEAN Agreement on Trade in Goods. In addition, we have seen Asian countries being integrated *de facto* by spontaneous business activities that Japanese corporations and ethnic Chinese business people took the lead of but were soon followed by the Koreans and the Southeast Asians after the 1990s.<sup>1</sup>

We do not have these kind of private ties in the security field. There are a couple of “Track Two” forums. In practice, they are semi-official arrangements. Security has been mostly dominated by governments. Furthermore, due to historical circumstances, a non-Asian country, the United States, has played a crucial role, especially in East Asia. Indeed, besides the three-way ANZUS pact, the only legally binding institutions in the Asian security scene have been bilateral ties between the United States on the one hand and Japan, South Korea, Thailand and Taiwan on the other. ASEAN has contributed to maintaining peace and stability among member countries. SCO (Shanghai Cooperation Organization) served as a framework for border negotiation between China and its Central Asian neighbors as well as for joint military trainings against Islamic guerrillas. However, neither ASEAN nor SCO impose legally binding security obligations upon the participants; they are based on consensus and peer pressure. All other forums including the ASEAN Regional Forum (ARF), the Council for Security Cooperation for

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<sup>1</sup> Hatch & Yamaura (1996); Yeung (1998).

the Asia Pacific (CSCAP), the Northeast Asia Cooperation Dialogue (NEACD), IISS-ASC (Asian Security Conference) are only for the purposes of dialogue and confidence building.

Due to this poor (both private and public) institutionalization, the security environment in Asia is highly uncertain and fluid. The degree of indeterminateness is smaller in Southeast Asia than in Northeast and South Asia. The fluidity in the latter, however, impedes any firm institutionalization for regional peace and stability in Asia. Institutional architecture for Asian security is subject to construction in the future.

The main purpose of this paper is to look into the factors that explain the discrepancy in the progress of institution building between Southeast Asia on the one hand and Northeast and South Asia on the other, and to explore how this discrepancy can be overcome in the future.

## **II. THEORETICAL FRAMEWORK**

Many authors have discussed relative utility of the realist, neo-liberal and constructivist approaches in explaining regional integration or the lack thereof in Asia.<sup>2</sup> This author shares Katzenstein & Sil's view that regional phenomena in Asia are so complex that no single approach can effectively explain them. I will adopt Katzenstein & Sil's analytic-eclecticism approach although my central focus is in governments' and people's perceptions.<sup>3</sup>

The reason why I place my central focus in human perceptions is the peculiar nature of security. In purely economic activities, actors have a relatively clear intention regardless of their relative strength. Big companies as well as small businesses need to earn net income at least as large as they can reproduce themselves. They usually hope to gain as much profit as possible to enlarge their business. Profit-making is their intention. Since their intention is clear, we can

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<sup>2</sup> Ravenhill (2002); Ikenberry & Mastanduno (2003); Alagappa (2003).

<sup>3</sup> Katzenstein & Sil (2004),

calculate risks and benefits to be brought by our interactions with these economic entities by looking at their capabilities (size, capital, sales networks, etc.). We cannot assume the same with regard to security. Although hardcore realists believe that the world is so anarchic that we must assume that other countries are potentially our enemies and, therefore, we need to be prepared for possible aggression from them. In the actual world, the governments make their security policy not only by observing other countries' capabilities but also by judging how these capabilities can be used by them. Capabilities and intentions are not the same. This is where human perception comes in.

One of the best examples is the Japanese, South Korean and Chinese perception of military threat. Table 1 demonstrates a large discrepancy in their perceptions. For Chinese people, the United States is by far the largest threat while only a few people fear the United States in Japan and South Korea. In contrast, nobody in China perceives North Korea as a threat while Japanese and South Korean citizens fear North Korea the most.

**Table 1: Perceptions of the Source of Major Military Threat**

		U.S.A.	Japan	China	North Korea	None
Japan	Nov-2001	15	-	8	43	14
	Mar-2005	11	-	13	57	6
China	Mar/May-97	40	21	-	0	35
	Nov-2001 <sup>a</sup>	69	20	-	0	3
	Mar-2005 <sup>a</sup>	73	19	-	0	1
South Korea	Mar/May-97 <sup>b</sup>	10	25	8	54	1
	Nov-2001	11	30	7	50	1
	Mar-2005	17	28	7	46	1

Sources: *Asahi Shimbun*, June 9, 1997; December 25, 2001; April 27, 2005.

Notes: a Beijing only.

b Seoul only.

What is odd is the fact that the number of people who perceive North Korea as a threat decreased in South Korea while it increased in Japan between November 2001 and March 2005.

This is peculiar because the South Koreans are seemingly exposed to constant threat of being attacked by artillery and missiles from the north while the Japanese are better protected by sea and distance. This apparent contradiction, however, is perfectly understandable if we look at the different experiences of the Japanese and the South Koreans during this period. After President Kim Dae-jung declared the “Sunshine Policy” for North Korea and paid respect to Kim Jong Il by visiting Pyongyang in June 2000, North Korea opened a part of its territories to South Korean tourists and businesses. It also agreed to resume the family re-encounter program by which family members who had been separated by the Korean War were allowed to pass the borders to meet. These events must have contributed to lowering people’s fear of North Korea and augmenting their support for the Sunshine Policy.

In contrast, the Japanese who had been shocked in 1998 by the launch of a Taepodong missile over their heads were alarmed by spy-ship incidents in 2001. On one of those occasions, an alleged North Korean spy ship was pursued and sunk by gunboats of Japan’s Maritime Safety Agency. This ship was later salvaged and exhibited to the public in a park near central Tokyo. In September 2002, Prime Minister Koizumi ventured to visit Pyongyang to explore the possibility to start negotiation for establishing diplomatic relations with North Korea. However, the Japanese people were again shocked by the news that Kim Jong Il admitted that North Korea’s secret agents had abducted several Japanese citizens in Japan itself during the 1970s and 1980s and taken them to North Korea as trainers of spies or translators. The public opinion in Japan became highly suspicious about North Korea’s intentions. Next month, the North Korean officials admitted to James Kelly, Assistant Secretary of State, the existence of uranium enrichment program for nuclear bombs, thus igniting a series of diplomatic crises culminating in North Korea’s announcement, in February 2005, that they have succeeded in producing nuclear

bombs. The image of North Korea armed with missiles and nuclear bombs frightened Japanese citizens who still suffer from “nuclear allergy.” These events contributed to deepening their sense of dependence upon the U.S. military forces for their security. This sense of dependence largely explains why they accepted, if grudgingly, the government decision to send SDF (Self-Defense Forces) troops to Iraq to form a part of the multinational coalition forces led by the United States.

This example clearly demonstrates that it is not other countries’ capabilities but the perception on how they can be used that determine the defense policy of each government. Mutually suspicious countries cannot hope to relinquish the possibility of using coercive measures and to move toward a “security community.” On the contrary, they will be able to consider seriously the possibility of institutionalizing a legally obligatory security framework if they are convinced that other parties do not use military forces to solve international disputes regardless of their size of capabilities.

The importance of human perception notwithstanding, it is not formed or changed willfully. Human perception concerning security is influenced by the material reality of military capabilities and economic interdependence. Whether expanding military capabilities are perceived as a threat depends on the past and present behavior (both verbal and physical) of the holder of the capabilities. Dense economic ties do not necessarily override territorial irredentism or nationalist fever. However, the maintenance of high economic interdependence may be perceived more valuable than other goals under certain national and international contexts and result in moderating the behavior of the governments involved.

In short, human perception on security is formed and transformed through actual interactions among the states and non-state actors. Therefore, we need to trace mutual interactions and

perceptions of the governments and people to understand current conditions of Asian security and to explore its future perspective.

The periods in which the international system experiences large-scale changes or shocks tend to make human perceptions especially fluid. They may facilitate weakening fixed prejudices and increase the opportunities for cooperation. However, fluidity and uncertainty may impede the formation of new perceptions. In this case, the governments and people will have great difficulty in calculating other players' intentions and therefore hesitate to engage in sovereignty-compromising cooperation. The last two decades were exactly the period affected by this kind of large-scale changes and shocks such as the "end of the Cold War," the economic crisis in East Asia, and the September 11 terrorism. In our effort to trace interactions and perceptions of the governments and people, we need to pay special attention to the impacts of these incidents.

### **III. HOW MUCH DID THE "END OF THE COLD WAR" MATTER IN ASIA?**

The breakdown of the Communist regimes in Eastern Europe and in the Soviet Union could not but loosen formal and tacit anti-Communist alliances in Asia as well as in other parts of the world. However, the "end of the Cold War" held different meanings for Northeast, Southeast and South Asia.

In Northeast Asia, the Cold War did NOT end. It is true that, thanks to the breakdown of the Soviet Union, Russia stopped being perceived as the main threat against the region. However, the Communist regime in North Korea showed resilience and continued to exhibit seemingly belligerent behavior. China started to transform its economy from a socialist to a more market-oriented one in the late 1970s. The Communist Party, however, demonstrated its firm intention

to maintain dictatorial power by the Tiananmen crackdown. It also repeated its unwavering position that Taiwan is an unalienable territory of China.

The impact of the “end of the Cold War” was more visible in South Asia. Although China continued to be a formidable power to be reckoned with for India which has long-term disputes with the northern giant over Aksai Chin and Tibet, the tension in the China-Indian borders was not as tense as the one in the Korean peninsula or the Taiwan Strait.

Southeast Asia experienced a most clear-cut “end of the Cold War.” Under international pressures, Vietnam withdrew its forces from Cambodia in 1989 and the socialist government of Cambodia accepted, in 1991, democratic elections and rehabilitation under the UN auspices. The withdrawal of the Soviet forces from Cam Rahn Bay in the early 1990s further gave a clear impression that the Cold War really ended.

### **Northeast Asia**

During the early Cold War period, Japan, South Korea and Taiwan concluded separate security treaties with the United States to defend against the Soviet Union and its Asian allies. When the Sino-Soviet dispute worsened throughout the 1960s and China approached the United States in the early 1970s, China became a tacit ally of the United States against the Soviet Union. For Japan, the Soviet Union was perceived as the most serious threat against its security during the following two decades. For the frontline countries, South Korea and Taiwan, North Korea and China continued to be their major threats respectively. Taiwan was in an awkward position because it was guaranteed security by the Taiwan Relations Act of the United States although this country maintained a tacit alliance with China against the Russians.

A NATO-like institution was never seriously contemplated in Northeast Asia. The Japanese accepted the basically American-written Constitution in 1947 which declared, in the famous Article 9, to relinquish the use of military forces as a means of settling international disputes, and not to hold land, sea and air forces, as well as other war-making capabilities. When the Korean War started, no military forces existed in Japan. *De facto* armed forces were reestablished as special police forces in August 1950 and reorganized into the Self-Defense Forces (SDF) in 1954. From intense domestic controversies during this period emerged a peculiar interpretation of the Article 9 which is that Japan would be allowed to hold military forces, but strictly for the purpose of self-defense and, therefore, entering into a collective security arrangement not directly related to Japan's self-defense would be unconstitutional. A NATO-like institution was impossible without Japan's participation. The three Northeast Asian countries relied on the U.S. military forces through bilateral treaties.

When the Soviet Union disappeared as the main "threat" in the region, the loosening of anti-Soviet alliances caused three noticeable phenomena. First, the United States decided to reduce its military forces stationed in the Asia-Pacific region by tens of thousands in ten years.<sup>4</sup> Second, the U.S.-Japan alliance went adrift due to the repeated economic frictions, Japan's slow and inadequate contributions to the Gulf War, and the American dissatisfaction with Japan's "free-riding" on the security protection offered by the United States. Third, China, helped by the decline of the pressure from the north after Gorbachev had launched his conciliatory foreign policy, became more assertive in its territorial demands in the south and the east. China became especially aggressive in the South China Sea but the Law of Territorial Waters enacted in 1992 also covered East China Sea where Japan and China have disputes over the Senkaku (Diaoyu) Islands and over the maritime border demarcation.

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<sup>4</sup> Khong (2004) p. 181.

In spite of the perceived vacuum of power caused by the retreat of the Soviet forces, the planned reduction of American forces and the drift in U.S.-Japan alliance, Chinese behavior was self-restrained at least until 1994. China was under international economic sanctions after the Tiananmen incident and faced the prospect of decreasing investment and technology imports from the advanced industrial countries. In order to break the impasse, Deng Xiaoping declared the continuation of the economic reform and opening to attract more foreign investors. China also courted Japan, the sole major country that imposed only a nominal sanction against China. Actually, Japan's concession loans to China continued to increase after 1989. President Jiang Zemin answered to the Japanese generosity by inviting the Emperor to China when he visited Japan in April 1992. This visit was realized later that year.

Foreign investment in China that stagnated between 1989 and 1991 jumped up after 1992.<sup>5</sup> China became a big business opportunity for foreign investors. It was under this situation that the Clinton Administration declared the "enlargement and engagement" policy toward China and decided in May 1994 not to link the question of the renewal of the most-favored-nation status with the human rights problem in China.<sup>6</sup>

The apparent tranquility, however, was broken by several legacies of the Cold War. As pointed out above, Northeast Asia is the sub-region where the "end of the Cold War" was most incomplete in Asia. In Europe, almost all Communist regimes disappeared by 1991. Two Germanies reunited themselves. The largest legacies of the Cold War there are ethnic conflicts in the former Soviet republics and the Balkans. In contrast, two powerful Communist regimes survived in Northeast Asia. They intended to survive by any means in the future. In addition,

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<sup>5</sup> Nakajima (2005) pp. 469-70.

<sup>6</sup> Kojo (2005) p. 110.

these states are “divided states,” another legacy of the Cold War and have not given up the ambition to reunite sibling states under its own initiative.

North Korea, facing a drastic reduction of Soviet assistance and the dismal conditions in its agricultural and industrial production, launched “chicken-game” diplomacy in May 1993 by refusing special inspection by the International Atomic Energy Agency (IAEA). Under mounting international criticism, North Korean leadership declared its intention to withdraw from the Nuclear Non-Proliferation Treaty (NPT) regime and did withdraw from the IAEA in May 1994 when this organization adopted the resolution to sanction North Korea that had taken out of its experimental reactor plutonium fuel rods. After a rush of consultations among the United States, South Korea, China, Japan and many other countries but basically through bilateral negotiations, the United States and North Korea concluded a Framework Agreement in October 1994 by which the United States promised to provide North Korea with two light-water reactors and crude oil (until the completion of the first reactor) in exchange for North Korea’s commitment to abandoning its own nuclear development program. The Korean Peninsula Energy Development Organization (KEDO) was established in March 1995 by 23 countries for the purpose of providing oil and constructing reactors for North Korea.

It was in the middle of this diplomatic scramble that the Northeast Asia Cooperation Dialogue (NEACD) was founded by the Institute on Global Conflict and Cooperation of the University of California, San Diego in October 1993 with financial assistance from the Department of State. This forum was intended to be a “Track Two” conference where foreign and defense ministry officials, military officials and academics of universities and think tanks were invited from six countries (the United States, Japan, China, South Korea, Russia and North Korea) and expected to discuss mainly security-related issues to construct mutual confidence. The plenary sessions

are convened once or twice a year but after 1995, “study projects” teams started to meet more frequently to prepare reports for the plenary sessions. The study project on defense information sharing (transparency) has been especially active. Before the start of the Six-Party Talk in 2003, NEACD was the sole security-related, though semi-official, forum in Northeast Asia. However, this forum does not seem to have achieved its original purposes. The biggest deficiency of the forum was the lack of North Korean participation. The fact that North Korea did not participate in any meeting except for the initial planning meeting of July 1993 weakened the “engagement” function of the NEACD. Furthermore, although the establishment of the NEACD and the U.S.-North Korea Framework Agreement meant that the Clinton Administration was ready to extend its engagement policy to North Korea, some government officials did not hesitate to condemn dismal human-rights conditions of that country by calling it, together with Iraq and Iran, a “rogue state”.<sup>7</sup>

North Korea was again included in the “axis of evil” category in George Bush’s State of the Union address of 2002. The Bush Administration was clearly more hostile to North Korea and the U.S. military success in Afghanistan must have heightened the sense of crisis of the North Korean leaders. Under this situation, neither the Framework Agreement nor the NEACD could prevent North Korea from starting its second round of brinkmanship diplomacy in October 2002 in which North Korea admitted to Presidential Special Envoy Kelly the existence of a uranium enrichment program. What is interesting, however, is that North Korea simultaneously sent four officials (three from the Institute for Disarmament and Peace and one from the Foreign Ministry) for the first time to the NEACD conference at Moscow in October 2002. North Korea also sent Foreign Ministry officials to the following NEACD conference convened at La Jolla, U.S. next

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<sup>7</sup> Takita (2005) p. 56.

year.<sup>8</sup> Although the NEACD did not serve as a confidence-building mechanism, it may have served as a platform where North Korea signaled its readiness for negotiation.

Neither could the NEACD serve to prevent China from conducting nuclear tests in 1993, 1994 and 1996 even in the face of strong Japanese protests. This time, the Japanese government, under strong pressure from anti-nuclear public opinion, reduced its Official Development Assistance (ODA) to China. The grant aids dropped from the record high 9,800 million yens in 1993 to 500 million in 1995. The concession loans that share 90% of all Japanese ODA to China and had not been affected by the Tiananmen incident was limited this time to the amount no more than the 1992 level. The concession loans started to increase again only in 1996 (<http://www.mofa.go.jp/mofaj/gaiko/oda/index/shiryō/hakusho.html>).

What alarmed the United States and Japan even more was the tension in the Taiwan Strait in 1995 and 1996. Alarmed by the increasingly pro-independence behavior of Taiwanese President Lee Teng-hui and the American government's issuance of an entry visa to him in May 1995 and fearing that the coming presidential election would strengthen independence-oriented forces in Taiwan, the Chinese government decided to launch a major military show of will by deploying its fleet off the Taiwanese coast and even initiating missile-launching "exercises." The Clinton government answered this intimidation by dispatching two aircraft carriers to the Strait. During the same period, China occupied Mischief Reef in the Spratly Islands and clashed with the Philippine navy.<sup>9</sup> It was also in 1996 when the now-famous *China Can Say No* with strong anti-American messages was allowed to be published and became a bestseller in China.<sup>10</sup>

In order to wipe out its bellicose image, China signed the Comprehensive Nuclear Test Ban Treaty, the International Covenant on Economic, Social, and Cultural Rights, and the

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<sup>8</sup> See [http://www-igcc.ucsd.edu/regions/northeast\\_asia/neacddefault.php](http://www-igcc.ucsd.edu/regions/northeast_asia/neacddefault.php)

<sup>9</sup> See Koo (2005) p. 199, footnote 5.

<sup>10</sup> Gries (2004) pp. 125-126.

International Covenant on Civic and Political Rights between 1996 and 1998.<sup>11</sup> However, the U.S. Congress was not impressed and strengthened its criticism against Clinton's engagement policy. The Congress gave a difficult time to the Clinton Administration every year when it tried to renew the most-favored-nation status for China. The House of Representatives set up the so-called Cox Commission to investigate alleged high-tech spying by China. When Clinton visited China and expressed his support to the one-China principle in June 1998, the Congress responded by adopting a resolution that confirmed U.S. commitment to Taiwan.<sup>12</sup> In 1997, Bernstein and Munro published an article, "The Coming Conflict with China" in *Foreign Affairs* and was followed three years later by Bill Gertz's *The China Threat*. The perception of "China threat" was gradually forming among conservatives in the American policymaking circle.

The redefinition of the U.S.-Japan alliance in 1995-96 was the first major response to the legacies of the Cold War in Northeast Asia. After experiencing the Korean peninsula crisis and China's nuclear tests and facing anti-American sentiment caused by the rape incident in Okinawa, the Department of Defense prepared and published in February 1995 the East Asia Strategic Report I (the so-called Nye Report). The main point of this report was that the United States would need to maintain a sufficient forward presence at the existing level of about 100,000 troops to defend security in the Asia-Pacific region and the U.S.-Japan alliance would be the basis on which to plan U.S. security policy in Asia as well as its global strategy.<sup>13</sup>

Frightened by the prospect of a nuclear North Korea and alarmed by the renewed nuclear tests by China, Japan welcomed the U.S. proposal. In April 1996, one month after Taiwan's presidential election, President Clinton and Prime Minister Hashimoto announced a Joint Declaration on the Security Alliance for the Twenty-first Century in which the Japanese

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<sup>11</sup> Zheng (2000) p. 100.

<sup>12</sup> Takita (2005) p. 66.

<sup>13</sup> Takita (2005) p. 62.

government pledged to revise the guidelines for U.S.-Japan defense cooperation.<sup>14</sup> The old guidelines of 1978 stipulated only the role of Japan in the case of a direct attack against Japan. The new guidelines added stipulations on the Japanese role in the event of an incident that, if left unattended, could lead to a direct attack against Japan.<sup>15</sup> In the new guidelines, that kind of incident was defined as “situation in areas surrounding Japan.” There was almost no objection in Japan to the interpretation that the “situation” here includes an armed clash on the Korean peninsula. The question remained as to whether this also covered a clash in the Taiwan Strait. In the event of a contingency there, the military bases in Okinawa would be critical for U.S. naval and air operations since Okinawa offers the only military bases located within 500 nautical miles of Taiwan.<sup>16</sup> However, the Japanese government hesitated to mention concrete geographical areas in the guidelines because there was no domestic consensus about what Japan should do if a war should break out between China and Taiwan. According to Katzenstein and Okawara, the ambiguity of the expression served the Japanese government by alleviating domestic opposition.<sup>17</sup> It also served the United States because it could send warnings to both China and Taiwan, deterring both a Chinese invasion in Taiwan and a Taiwanese declaration of independence. This ambiguity, however, led to a strong reaction from China. It has repeatedly demanded that Japan clarify if its military cooperation with the United States covers Taiwan. The Japanese government has answered every time that the guidelines do not target any specific country, an answer that has never satisfied China.

The same kind of interaction was observed when Japan decided to cooperate with the U.S. plan to develop the Theater Missile Defense (TMD) system in September 1998. The idea of the TMD

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<sup>14</sup> Soeya (1998) pp. 214-215.

<sup>15</sup> Kamiya (1998) pp. 135-136.

<sup>16</sup> V. Wang (2005) p. 29.

<sup>17</sup> Katzenstein and Okawara (2004) p. 114 and p. 118. According to Berger (2003) p. 407, even under the new guidelines, direct Japanese participation in combat operations remains out of the question in Japan.

existed after 1993 but the Japanese government decided to join the project only after Japanese citizens were frightened by the middle-range Taepodong missile flying over Japan in August 1998. Although the intended target of the TMD system was North Korea for the Japanese, China reacted negatively because once deployed, the same system could be used to neutralize China's deterrent capability.<sup>18</sup> When President Jiang Zemin visited Japan in November 1998, he was blatantly critical of Japan, in marked contrast to his visit six years earlier. He insisted that the Japanese have a right understanding of history (i.e., wartime atrocities of Japan) and offer to the Chinese people "heartfelt apologies". Jiang, however, was received with similar coolness by his Japanese hosts.<sup>19</sup>

In spite of the "end of the Cold War" and a subsequent easing of tension in the early 1990s, Northeast Asia soon came to face legacies of the Cold War. North Korea's chicken-game diplomacy for survival and China's bellicose behavior in the Taiwan Strait led to the re-strengthening of once-adrift U.S.-Japan security ties. China perceived the refurbished U.S.-Japan alliance as a possible "threat" against its nationalist claim upon Taiwan. On the other hand, the "China threat" perception was gradually forming in the United States. The NEACD, though the first ever minilateral framework of security cooperation in Northeast Asia, could not deter a gradual deterioration of mutual confidence between China and the U.S./Japan. Bilateral ties between the United States and its Asian allies continued to dominate the institutional architecture of Northeast Asian security.

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<sup>18</sup> Christensen (2003) pp. 34-35.

<sup>19</sup> The Japanese position was that deep apologies had been expressed in many occasions by prime ministers, especially by Premier Murakami in August 1995.

## **Southeast Asia**

Different from Northeast Asia, Southeast Asia has seen more fruitful results from its efforts to create a framework for security cooperation. The success was due to two factors. First, the “end of the Cold War” was more clear-cut in Southeast Asia. Second, when the Cold War ended, there existed a politically stable and economically successful institutional structure in the form of the Association of Southeast Asian Nations (ASEAN).

Legacies of the Cold War were much weaker in Southeast Asia than in Northeast Asia. Vietnam, the major threat during the Cold War era in the sub-region, was so weakened by the exhaustion it had suffered in Cambodia and by the drastic decline of Soviet assistance that it chose to coexist peacefully with its neighbors although the Communist party continued to hold political control. Vietnam was accepted by ASEAN as an observer in 1992 and as a full member in 1995. Laos and Cambodia were also admitted into ASEAN in 1997 and 1999 respectively.

The existence of the stable ASEAN at the beginning of the 1990s was one of the major factors that explain the peaceful integration of the socialist countries into the sub-regional institution for security cooperation. The noticeable economic success of the ASEAN countries in the latter half of the 1980s and in the first half of the following decade also served as a magnet to attract poorer former socialist countries. Many authors point out that ASEAN succeeded in maintaining peace among its members thanks to repeated dialogues and gradual building of mutual confidence based on the principles of consensus and non-intervention.<sup>20</sup> A country that wants to enter ASEAN has to sign the Treaty of Amity and Cooperation (TAC) which prohibits the use or threat of military force to solve disputes among the members. If the country is ready to accept these terms, it can comfortably enter the organization because there is no legal sanction against non-compliance except for peer pressure.

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<sup>20</sup> Acharya (2001); Yamakage (1991); Yamakage (1997).

However, the “end of the Cold War” brought about a concern originating in the north. When the United States announced its intention to implement a large-scale troop reduction from the Asia-Pacific region and actually decided to withdraw from the Clark and Subic bases without resisting the anti-base nationalism of the Philippines, the leaders of the Southeast Asian countries, like their counterparts in Northeast Asia, perceived a “vacuum of power” which they feared might be filled by either the Chinese or the Japanese. Then, in 1990, Singapore signed a memorandum of understanding with the U.S. government offering it certain access to port facilities. Malaysia and Indonesia followed suit allowing the U.S. forces use of their facilities. Khong interprets this act of Southeast Asian countries as their effort for “soft” balancing vis-à-vis China.<sup>21</sup> Even the Philippine government that had not hesitated to lose the Clark and Subic bases a few years before concluded a visiting forces agreement with the United States after its military vessels were defeated in armed clashes with the Chinese vessels over structures built on the Mischief Reef by the Chinese.

The ASEAN countries also tried an engagement policy by forming a minilateral forum named the ASEAN Regional Forum (ARF) in 1994. The kickoff, however, was made by Australian foreign minister Evans. Facing the breakdown of Communist regimes in Eastern Europe and the announcement of American troop reduction in Asia, Evans proposed, on the occasion of the ASEAN Post-Ministerial Conference (ASEAN-PMC) of July 1990, to form a mechanism similar to the Conference on Security and Cooperation in Europe (CSCE) that would include participation by socialist countries. The ASEAN-PMC was first convened in 1979 when ASEAN foreign ministers invited their counterparts from the United States, Japan, Australia, New Zealand, and the EC for general dialogue. The previous year, Vietnam had invaded Cambodia. In 1979, the Soviet military invaded Afghanistan and the world was ushered into the

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<sup>21</sup> Khong (2004), p. 193.

era of “New Cold War.” The ASEAN-PMC was a forum of the countries opposing the Soviet-Vietnamese activities in Asia although ASEAN never lost the posture to persuade Vietnam peacefully to withdraw from Cambodia. Evans’ proposal was to found a totally new institution to replace the ASEAN-PMC.

The Japanese government considered Evan’s proposal unfeasible in light of the negative response from the United States and the economic, political and historical diversities of the Asia-Pacific region. During the 1990 ASEAN-PMC, Japan’s foreign minister Nakayama proposed to use the organization as a forum for “political [i.e., security] dialogue.” United States Secretary of State James Baker opposed Nakayama’s proposal because, in spite of the troop reduction program, the U.S. government continued to take the position that the hub-and-spoke network of bilateral security treaties and the military presence of the United States should be the basis of military security in the Asia-Pacific region. However, President Bush agreed to Nakayama’s proposal when he visited Tokyo in January 1992. The Japanese government reportedly assured Bush that it did not intend to hastily replace the current U.S.-centered security arrangement with a new regional framework for collective security.<sup>22</sup>

The ASEAN governments preferred Nakayama’s idea to Evan’s since ASEAN could expect to maintain a leading role for security talks if the framework of ASEAN-PMC is kept intact. However, they endorsed the proposal made by the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS), the most important Track Two network in Southeast Asia, to invite China, Russia, Vietnam and North Korea in addition to the present ASEAN-PMC members.<sup>23</sup> ASEAN’s position is based on the “engagement” principle that had been nurtured throughout its history but was adjusted to the new situation after the “end of the Cold War.” Lee

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<sup>22</sup> Soeya (1997) p. 123.

<sup>23</sup> Soeya (1997) p. 117.

Kuan Yew of Singapore, for example, adamantly opposed the policy of containment against China since it was likely to make China xenophobic and insecure.<sup>24</sup>

The United States and Japan opposed the enlargement of the ASEAN-PMC membership. As a compromise measure, ASEAN proposed to found a new enlarged forum that would parallel the ASEAN-PMC.<sup>25</sup> This proposal was finally accepted at the ASEAN-PMC held in July 1993, and the ASEAN Regional Forum was established in July 1994 with the participation of the ASEAN-6 plus the United States, Japan, South Korea, Australia, New Zealand, Canada, the EU, China, Russia, Vietnam, Laos, and Papua New Guinea. India and North Korea were also admitted in 1996 and 2000 respectively.

ASEAN succeeded in keeping itself in the driver's seat of the ARF because the ASEAN-PMC was the sole existing minilateral institution that could be realistically utilized as the base from which to expand political and security cooperation in the new era. The loose, consensus-based organization emulated from the ASEAN also helped persuade hesitant participants like the United States and China to join the scheme. Once initiated, the Clinton Administration became a positive participant in the ARF process. The Nye Report published in February 1995 stated that regional multilateral institutions could play important supplementary roles in increasing transparency and confidence building in East Asia.<sup>26</sup> In contrast, China continued to take a cautious position. When a concept paper stating three major categories of security cooperation was circulated in the second ARF meeting in August 1995, China was highly negative about any measure beyond the one for confidence building. China opposed the ARF's role in preventive diplomacy as a violation of the noninterference principle. China also rejected the notion of conflict resolution, taking the position that any international dispute should be dealt with

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<sup>24</sup> Khong (2004) p. 187.

<sup>25</sup> Yamamoto (2001) p. 50.

<sup>26</sup> Khong (2004) p. 183.

bilaterally.<sup>27</sup> Because of strong Chinese insistence, the concept of conflict resolution was changed to an awkward “elaboration of approaches to conflicts” (Acharya 2001: 177). China was stubbornly defensive because it faced serious disputes in the Taiwan Strait and in South China Sea and feared any multilateral intervention.

However, easier measures for confidence building flourished, from voluntary publication of annual defense posture to human and information exchanges among defense-related institutions. The Council for Security Cooperation in the Asia Pacific, founded as a Track Two forum adjacent to the ARF, served as another channel for confidence building. It is a semi-official forum similar to the NEACD to which defense and foreign officials participate, as “private citizens,” together with scholars. It has been more flexible than ARF, as testified to by the admission of North Korea in 1996, four years before its admission into ARF and by the participation of Taiwanese representatives as “individuals”.<sup>28</sup>

In short, thanks to the relatively clear-cut “end of the Cold War” and the preexistence of the stable and prosperous ASEAN, Southeast Asia saw a more fruitful development of a minilateral framework for security cooperation in the first half of the 1990s. Its functions, however, were limited because of the loose, consensus-based nature of the forum and highly defensive attitude of China.

### **South Asia**

The “end of the Cold War” left stronger legacies in South Asia than in Southeast Asia but their nature was quite different from the one in Northeast Asia. Islamic radicals left over from the

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<sup>27</sup> Wang (2000) p. 79.

<sup>28</sup> Shigemasa (1998) p. 73.

Afghan war and the reemergence of the legacy of imperialism were two main results of the “end of the Cold War” and made security cooperation in the sub-region extremely difficult.

Unlike the situation in Northeast Asia, conflicts with surviving Communist countries were minor thanks to China’s relatively conciliatory posture. Throughout the 1990s, China adopted a conciliatory policy in negotiating land-border disputes, probably so as to pursue its territorial policy more assertively in the eastern maritime disputes. In parallel with its contact with India, the Chinese government started negotiation with Gorbachev’s Soviet Union and reached an agreement on the border demarcation with Russia by 1999 except for a few islands in the northeastern rivers.<sup>29</sup> China also proposed and realized the first summit meeting of China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan in April 1996 for the purpose of nurturing mutual confidence in the border areas. The participating countries agreed to reducing troops in the border areas and almost completed the border demarcation by 1999. According to Medeiros and Fravel, China received only 50 percent or less of the contested territory in most of the agreements.<sup>30</sup>

Along the same conciliatory posture, China proposed a border negotiation and signed with India an agreement on Maintenance of Peace and Tranquility along the Line of Actual Control in 1993. This agreement did nothing more than admitting the *status quo*. China was in a more advantageous position than India in terms of occupied territory. Still, it virtually agreed to leave the case open for future negotiation. In November 1996, the two countries, following the spirit of the 1993 agreement, signed a new agreement to reduce troops in the border areas.

A more serious legacy of the Cold War came from the Afghan war. During that war, the United States gave assistance to Pakistan to help train Pakistanis and recruits from other Islamic

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<sup>29</sup> China and Russia finally agreed to divide up the islands, thus ending a century-old border dispute in 2004 (The World Factbook of CIA: <http://www.odci.gov/cia/publications/factbook/geos/ch.html>).

<sup>30</sup> Medeiros and Fravel (2003) p. 26.

countries to fight against the Russians in Afghanistan.<sup>31</sup> The mujahedeen movement left radical Islamic guerrillas and ideology which affected a part of Pakistani society. Some of the guerrilla groups crossed the Line of Control in Kashmir and attacked Indian targets. Some were believed to have conducted terrorist attacks against the Indian Parliament and other civilian targets.<sup>32</sup> The Indian government has harshly condemned the Pakistani government for being complicit with or weak-kneed with regard to Islamic radicals. Actually, the Islamic guerrillas' activities almost provoked a major war between India and Pakistan in 1999 and 2002. Smaller skirmishes were numerous. During the decade following 1989, 22,000 people died in Kashmir as a result of violence.<sup>33</sup>

The legacy of imperialism is another factor that made security cooperation difficult in South Asia. The British colonialists not only implemented the “divide and rule” policy toward the Muslim and non-Muslim population during their domination but also left the sub-Continent without solving the problem of the status of Kashmir.<sup>34</sup> India and Pakistan fought three major wars over the ownership of Kashmir in 1947, 1965 and 1971. Pakistan sought help from the United States, signed a Mutual Defense Assistance Treaty with the United States and joined SEATO and the Baghdad Treaty Organization (later CENTO) during the 1950s. India maintained a policy of non-alignment, but the Soviet Union approached India exactly because it was not allied with the United States. India and the Soviet Union signed a Treaty of Friendship and Cooperation in 1971. As the fissure between the Soviet Union and China became clearer in the 1960s, Pakistan approached China. After 1966, China became Pakistan's main arms

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<sup>31</sup> Leheny (2005) p. 240.

<sup>32</sup> Mastanduno (2003) p. 155.

<sup>33</sup> Kang (2003) pp. 367-368.

<sup>34</sup> Chiriyankandath 2001; Sarkar 2001

supplier.<sup>35</sup> During the Cold War era, India with a Soviet backing and Pakistan with Chinese and American support came to an armed stalemate. The real Cold War in South Asia was fought in Afghanistan, not in Kashmir.

The historical animosity over the Kashmir problem between India and Pakistan resurfaced as the Cold War tension eased in the sub-region. The ties between the United States and Pakistan loosened, and the United States did not hesitate to impose sanctions against Pakistan when the news of its nuclear weapons development program surfaced in 1990. India, on the other hand, lost the backing of the Soviet Union but was warmed to a certain extent by China's courtesy as discussed above. Left to themselves, both India and Pakistan quickened their respective programs to develop weapons of mass destruction (WMD). Under these conditions, founding a framework for security cooperation was extremely difficult. The South Asian Association for Regional Cooperation (SAARC) had been founded in 1985 by India, Pakistan, and five other countries, but its activities were exclusively directed to economic and functional cooperation.<sup>36</sup> Its only merit in the security field is that since it is an annual forum for the heads of government, it offers opportunities for Indian prime minister and Pakistani president to talk directly. When India and Pakistan exercised their second and first nuclear tests respectively in May 1998 and met international economic sanctions, the heads of both governments met at the 10<sup>th</sup> SAARC summit at Colombo. This talk led to the Lahore Agreement of February 1999 by which the two countries committed to the advanced notification of ballistic missile flight tests. However, this rapprochement was only temporal. Indian and Pakistani forces went to the brink of a war in Kashmir several months later.

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<sup>35</sup> Kang (2003) p. 370.

<sup>36</sup> SAARC website: <http://www.saarc-sec.org>

In short, both the legacy of the Cold War (radical Islamic guerrillas) and the legacy of imperialism (the Kashmir conflict) made security cooperation difficult in South Asia.

#### **IV. REAL IMPACTS OF THE ECONOMIC CRISIS UPON ASIAN SECURITY**

The revelation of weaknesses in the economies of East Asian NIEs and Southeast Asia is usually considered as the most important result of the economic crisis in 1997-98. In practice, most of these economies recovered from the crisis more quickly than expected and went back to the growth track by 1999. However, they never regained the growth so persistent and high as in the decade preceding the crisis. In contrast, the Chinese economy survived the crisis almost unmarred. The deepest impact of the crisis on the security environment in Asia should be looked for in the robust Chinese economy. Between 1991 and 1996, it grew by 11.6% annually. The growth rate dropped after 1997 but still continued to surpass 7% each year thereafter.<sup>37</sup> China achieved this miracle without devaluing the yuan, a policy that was highly appreciated by many countries suffering from the crisis. With Japan still sunk into deep recession, China came to be regarded as the main engine of regional economy.

The Chinese government used the rapidly increasing resources to modernize its military. Table 2 shows that China expanded its military expenditure by 21.5% between 1985 and 1995. The corresponding figures for Japan and the ASEAN-5 (Singapore, Malaysia, Thailand, Indonesia and the Philippines) were 71.1% and 65.3% respectively. However, if the figure for 2002 is used instead of the one for 1995, China's military expenditure increased by 123.8% compared with Japan's 84.1%, ASEAN-5's 72.2% and India's 19.4%. In 2001, China surpassed Japan as the world's third largest military spender (after the United States and Russia).<sup>38</sup> The problem of

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<sup>37</sup> Nakajima (2005) p. 6.

<sup>38</sup> IISS (2004).

whether China would be a harmless economic opportunity or a formidable military risk emerged as an unavoidable question for many Asia-Pacific countries.

**Table 2: Military Expenditure (million US dollars)**

	1985	1995	1985	2002
	Constant 1995 US \$		Constant 2000 US \$	
USA	352,551	277,834	380,899	329,616
China	27,107	32,929	21,616	48,380
Japan	29,350	50,219	20,139	37,070
North Korea	5,675	5,232	7,761	4,728
South Korea	8,592	14,179	6,861	12,615
Taiwan	8,793	13,143	9,295	7,479
ASEAN 5 <sup>a</sup>	10,434	17,254	9,918	17,080
India	8,553	9,992	10,948	13,073
Pakistan	2,835	3,642	2,669	2,541

Sources: International Institute for Strategic Studies, *The military balance, 1993/94*, 2003/04.

Note: a Indonesia, Malaysia, Philippines, Singapore, Thailand.

One byproduct of the Asian economic crisis was the strengthening, to a certain extent, of the ASEAN Plus Three (APT) grouping. As well known, Mahathir's proposal to form an ethnically "East Asian" entity named the East Asian Economic Group failed in 1990 because of strong U.S. opposition and negative response from the Japanese government. However, the seriousness of the 1997-98 crisis and the perceived inadequacy of the IMF's and the United States' prescriptions prompted Japan and other East Asian countries to strengthen their cooperation. It was in the middle of the crisis when the first formal summit of the APT was convened in December 1997. In March 2000, the APT finance ministers, in order to prepare for another currency crisis, agreed to expand the network of bilateral swap arrangements, a scheme that

came to be called the Chiang Mai Initiative.<sup>39</sup> However, the APT has been active only for economic cooperation, not for security cooperation.

### **Northeast Asia**

China's military buildup based on its prosperous economy heightened the concern among the conservative circle in the United States that China may become a formidable challenger against their country. China, for its part, was highly critical of the bombing that the NATO air forces started in Kosovo in March 1999 without a Security Council resolution. Prime Minister Zhu Rongji's visit to Washington, D.C. to negotiate China's WTO admission turned out to be a failure. This frustrating setback was followed by the tragic bombing of the Chinese Embassy in Belgrade in May 7, 1999. President Clinton and American ambassador to China James Sasser immediately issued a public apology to the Chinese people but the Chinese leaders refused to accept their apologies. Protest demonstrations erupted in Beijing and many other cities. Protestors in Beijing smashed embassy cars, burned American flags, and threw gas bombs, rocks and bricks at embassy building.<sup>40</sup> The publication of the Cox Report in late May that accused China of spying U.S. technologies related to nuclear weapons and missiles only strengthened the Chinese indignation. Although many policymakers in the United States believed that the protest movement was manipulated and utilized by the Chinese leaders for their political ends, two close observers of Chinese society, one Chinese and one American, insist that popular nationalism had been strengthening throughout the 1990's to such an extent that the government itself needed to

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<sup>39</sup> The number of bilateral swap agreements reached sixteen with a total of \$39.5 billion committed by April 2005 (*Asahi Shimbun*, May 2, 2005)

<sup>40</sup> Gries (2004) p. 14 and p. 98.

join the fever in order to control the direction of the movement and to deter it from turning to be against the government.<sup>41</sup>

In the United States, however, these incidents helped strengthen the image of “China threat.” The approaching presidential election in Taiwan further worsened the situation. In June 1999, President Lee Teng-hui of Taiwan stated that the relationship between Taiwan and China was a “special state-to-state relationship.” The Chinese government reacted belligerently. Immediately after the successful experiment of a new ICBM in August 1999, a Chinese newspaper published a story that the government was preparing a four-stage military operation against Taiwan. The Foreign Relations Committee of the U.S. House of Representatives quickly adopted a draft act for strengthening Taiwan’s security and requested the Clinton Administration to set up a permanent hot line between Taipei and Washington, D.C. to prepare for contingencies.<sup>42</sup> By FY 2000 National Defense Authorization Act, the Congress also obliged the Department of Defense to prepare and submit an annual report on China’s military strategy and capabilities.<sup>43</sup> Undeterred, the Chinese government published a White Paper on Taiwan in the following year and stated that it was ready to take “drastic measures” should Taiwan declare independence.<sup>44</sup>

In spite of the expanding “China threat” perception in the United States, the Clinton Administration did not abandon its engagement policy toward China. Expecting that China, more integrated into multilateral organizations and developed economically, would be socialized to be a more responsible and conciliatory member of international society, it pushed through the Congress in May-September 2000 the Permanent Normal Trade Relations (PNTR) Act that

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<sup>41</sup> Zheng (2000); Gries (2004).

<sup>42</sup> Takita (2005) pp. 67-68.

<sup>43</sup> U.S. Department of Defense (2000).

<sup>44</sup> Medeiros and Fravel (2003)p. 28.

would grant permanent MFN status to China. The business lobby was also active to persuade Congress members. The successful enactment of PNTR in September 2000 opened the door for China's accession to the World Trade Organization (WTO) the following year. However, in adopting PNTR, the Congress decided to set up a bipartisan U.S.-China Economic and Security Review Commission to investigate, monitor and report to the Congress the effects of U.S.-China economic relations upon U.S. security.<sup>45</sup>

The ascent of the Bush Administration and the war-plane crash incident in April 2001 brought the "China threat" theory to the forefront again. The neo-conservative group called "Blue Team" around the Bush Administration held a very strong "China threat" perception.<sup>46</sup> Their fear, they believed, was attested to by the Chinese behavior during the crash incident. Although the crash happened because the Chinese F-8 jet fighter got too close to the American EP-3 surveillance plane apparently to harass the Americans, the Chinese government put all the blame on the American side and repeatedly and vociferously demanded apologies. Although the U.S. government took a low posture to recover the plane and its servicemen that had landed on Hainan Island, this incident did not only strengthen conservatives' conviction on the "China threat" but also alienated American citizens. According to a public opinion survey conducted just after the incident, 49% of the American respondents said that they disliked China while only 13% answered they liked China.<sup>47</sup> On the Chinese side, as seen in Table 1, citizens who regarded the United States as the major military threat against their country jumped up from 40% to 70% between 1997 and 2001.

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<sup>45</sup> Kojo (2005) p. 116.

<sup>46</sup> "Blue Team" is a loose group of academics, Congress persons/staffs and some intelligence/military officials Mastanduno (2003) p. 162.

<sup>47</sup> *Asahi Shimbun*, May 18, 2001

Different from 1996-1998 period, the Chinese government took a relatively mild posture toward Japan in 1999-2000. According to Johnston, this posture is due to its judgment that a hard-line policy was counterproductive for China in the sense that it would only strengthen the U.S.-Japan alliance.<sup>48</sup> However, China's aggressive statements on Taiwan, together with its rapidly expanding military expenditure, augmented concerns among Japanese policymakers. In addition, this period saw increasing activities of Chinese exploration ships in the waters claimed by Japan as its EEZ. Since the United Nations Convention on the Law of the Sea had become effective in 1994, the maritime demarcation problem emerged as a major issue of conflict between Japan and China as well as between Japan and South Korea. Japan takes the principle of median-line division while China insists on the continental-shelf principle. As a result, the demarcation lines in East China Sea are totally different for the two countries.

Under these circumstances, the voice against the ODA for China became louder among policymakers in 2000 and the Japanese government adopted a new ODA policy for China by which new concession loans would be offered only for environmental or social purposes.<sup>49</sup> As a result, the amount of concession loans started to drop sharply after 2001.<sup>50</sup>

With the birth of the Koizumi Administration in Japan in April 2001, Japan-China relations started to deteriorate dramatically. Just like the South Asian countries, Northeast Asian countries realized that legacies of imperialism were persistent and insurmountable. In South Asia, the imperial power left the region a long time ago. In Northeast Asia, a former imperial power, Japan, remains a main regional player. This fact makes the situation more difficult there than in South Asia.

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<sup>48</sup> Johnston (2004) p. 60.

<sup>49</sup> Iwaki (2005) pp.3-4.

<sup>50</sup> In March 2005, the two governments agreed to terminate all concession loans by 2008. The reduction of the ODA, however, did not seem to hurt Chinese feeling. After all, Japan suffered a decade-long recession while China grew so rapid and persistently. The Chinese leaders themselves judged that they would not need ODA anymore.

When Koizumi became prime minister, the problem of the history textbook was flaring up between Japan on the one hand and China and South Korea on the other. This problem had existed since the early 1980s in which history textbooks were published that described Japanese colonial and wartime conduct more mildly than before. In 2001, the controversy became severer because one history textbook was regarded as especially nationalistic. The Chinese and South Korean governments strongly demanded that Japan's Ministry of Education not authorize the textbook. The Japanese government refused and angered the Chinese and the Koreans.

Around the same time, the first serious economic friction surfaced between Japan and China when the Japanese government imposed temporary safeguard measures on the importation of rushes, Chinese onion, and Chinese mushroom. The Chinese government, in retaliation, imposed a 100% special tariff upon automobiles, cellular phones and air conditioners from Japan. An official safeguard was never declared and the conflict was solved within half a year. As for the textbook problem, it turned out that only 0.05% of approximately 12,000 schools adopted the controversial textbook.

However, a new conflictive issue emerged when Prime Minister Koizumi visited the Yasukuni Shrine in August 2001. After the souls of A-class war criminals had been transferred to Yasukuni in 1978, three Japanese prime ministers visited it before Koizumi. Only one (Prime Minister Nakasone in the mid-1980s) visited more than once and did so as an official (not private) mission. The peculiarity of Koizumi is his persistence. He visited the Yasukuni every year between 2001 and 2004 as prime minister. In 2005, facing strenuous criticism from China, South Korea and from domestic society, and a verdict of unconstitutionality issued by an appeal court, he finally backed down. In October 2005, he visited the Yasukuni but as a private citizen and spent only a few minutes for praying. However, it was Koizumi's stubbornness and

persistence that angered the Chinese and the Koreans. Although Koizumi insists that he goes to the Yasukuni not to pay respect to the war criminals but to millions of soldiers who had died for the nation and to make a pledge of no war, the Chinese and the Koreans saw Koizumi's behavior as an evidence that the Japanese had not made sufficient self reflection about their wrongdoings during the colonial and war periods or had forgot them too easily.

Some even argued that the new history textbook as well as Koizumi's conduct reflect the resurgence of nationalism in Japan which, left unattended, could turn into aggressive militarism again. As Table 1 demonstrates, 20% of the Chinese and 25-30% of South Korean people perceive Japan as the major military threat. In practice, as Table 3 shows below, the Japanese have much less trust in their military and are much less supportive to military spending than the Chinese or any other people surveyed in the Asia Barometer project in 2003.

**Table 3: Trust in Central Government and Military<sup>a</sup>**

	Central Government	Military	More Spending for the Military & Defense
Japan	18	27	12
South Korea	22	59	36
China	91	91	73
Malaysia	91	89	60
Thailand	86	92	61
Vietnama	n.a.	n.a.	42
India	78	97	82
Sri Lanka	58	79	62
Uzbekistan	58	65	59

Source: Asia Barometer 2003.

Note: a The figures correspond to the percentage of people who trust the central government or the military "a lot" or "to a certain degree" and those who support more spending for the military & defense.

**Table 4: Perception on the Best Solution for the History Problem, March 2005 (%)**

	Japan	South Korea	China
Japan's Apology Acceptable to the Chinese and the Koreans	13	43	48
Reparation Payment	8	24	15
Joint Study to Harmonize Interpretation of History	22	23	19
Improvement of Chinese and Korean Perception on Japan	23	5	4
Broad Exchanges among People	29	6	12

Source: *Asahi Shimbun*, April 27, 2005.

Table 4 reveals another perception gap between the Japanese on the one hand and the Chinese and the Koreans on the other. For almost half of the Chinese and the Koreans, the best solution for the history problem is that the Japanese make to them apologies acceptable to them. Only 13% of the Japanese agree. 23% of the Japanese believe that the school education in China and South Korea which is alleged to be excessively anti-Japanese should be rectified. The largest number of Japanese respondents or 29% believe that broad exchanges among people may help settle the problem. Many Japanese want to leave the history behind and pay more attention to strengthening cooperative relations with their neighbors for the future. For them, especially for those who were born twenty or thirty years after the end of WWII, Japan is no less than a country that has always been peaceful and militarily even timid. They feel fed up with repeated reproaches by the Chinese and the Koreans.

In contrast, the Chinese and the Koreans including those who are in the 20s or 30s persistently remember their history as one of humiliation by the Japanese. When demonstrations erupted in several Chinese cities in April 2005 to protest the history textbook again and to oppose Japan's bid for a permanent seat in the U.N. Security Council, most of the demonstrators were from young generations. Many Japanese watched TV news closely in which demonstrators shouted

emotionally anti-Japanese slogans and threw hundreds of stones and bottles against the Japanese embassy, consulates and even Japanese restaurants in the street. Japanese observers were first appalled and then angry with the Chinese conduct. The blatant obstruction by the Chinese government against Japan's efforts to obtain a permanent seat of the Security Council further alienated both the citizens and policymakers in Japan. The Chinese government insisted that the reason for its opposition to Japan's access to the Security Council was the insincere attitude of the Japanese on the history problem. In Japan, however, the behavior of the Chinese government strengthened anti-Chinese nationalism and the "China threat" perception, thus eventually helping those who downplay Japanese wrongdoings in the past. This action-reaction cycle has worsened the Japan-China relations to the record-low level.<sup>51</sup>

China's assertive search for energy resources has made the situation more complex. As the Chinese economy grew rapidly, the Chinese government's efforts to secure a future supply of oil and natural gas quickened their pace. It sent high government officials to energy-exporting countries to obtain long-term supply contracts. It did not hesitate to make deal with the countries like Iran and Sudan, which the U.S. government regards as a risk for the security and stability of the international community, and Venezuela whose government is blatantly anti-American.<sup>52</sup>

China also began oil/gas exploration in the areas of East China Sea whose jurisdiction is contested by Japan. After its exploratory ships had examined the areas including the zones claimed by Japan as its EEZ, China built exploration rigs in several spots and started to construct pipelines to bring gas to the mainland in October 2005. The Japanese government repeatedly protested and demanded that China stop the construction, pointing out that although the rigs were constructed slightly outside of the Japan-claimed EEZ line, the gas field under the seabed

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<sup>51</sup> I borrow the concept of "action-reaction cycle" from Christensen (2003) p. 36.

<sup>52</sup> Zweig and Jianhai (2005).

spreads to both sides of the line. The Japanese government proposed joint development of the resource. The Chinese government refused it and warned against the Japanese plan to make the same kind of exploration on the Japanese side of the Japan-claimed EEZ line. Several navy ships of China are reportedly patrolling the area.

China's frantic search for energy resources has strengthened the image of an aggressive China in the United States and Japan.

In short, the high and continuous growth of the Chinese economy observed even after the crisis had hit other Asian countries strengthened the expectation of the business people from the United States, Japan and other Asia-Pacific countries that China could serve as the main engine for the recovery and growth of the regional economy. Indeed, trades with and investments in China expanded rapidly. However, in parallel with the growing economic interdependence, the mutual "threat" perception worsened between the United States and China as well as between Japan and China because of the Taiwan issue, China's military buildup (which was partially a result of the threat China perceived in the United States and Japan), and China's frantic search for energy resources. In the case of U.S.-China relations, the incidents of the Belgrade bombing and the war-plane crash greatly contributed to the deterioration of the perception. The history problem was an important factor that explains the action-reaction cycles leading to the degeneration of the mutual perception between Japan and China.

Some people characterize the current situation in Northeast Asia as "hot economics, cold politics." Indeed, on the occasion of the acute anti-Japanese demonstrations in China in April 2005, some participants called for consumers' boycott against Japanese products, but few people responded. Politics and economics are really separated for now. However, as politics cooled

down, no serious initiative was tried for building a firm sub-regional framework for security cooperation in Northeast Asia.

### **Southeast Asia**

The crisis-hit countries of Southeast Asia, relieved by China's decision not to devalue the yuan and seeing the robust conditions of the Chinese economy, heightened their expectation to make closer business ties with China major levers by which to get out of the crisis. China did not betray their expectation. On the occasion of the ASEAN+China summit meeting held in November 2000, Premier Zhu Rongji suggested the idea of free trade between China and ASEAN and, a year later, Chinese and ASEAN leaders agreed to establish a free trade area within ten years.<sup>53</sup> In November 2002, they signed a framework agreement by which both parties pledged to establish an ASEAN-China Free Trade Area (ACFTA) covering trade in goods by 2010 for the ASEAN-6 and China and by 2015 for the newer ASEAN members.<sup>54</sup> The parties agreed to an Early Harvest Program in October 2003 by which China lowered tariffs of foods like vegetables, fruits, meat, and fish to 10% or less starting in January 2004.<sup>55</sup> The Agreement on Trade in Goods signed in November 2004 stipulated the tariff reduction schedule for a great number of goods.<sup>56</sup>

China's conciliatory posture was also noticeable in the field of territorial disputes in Southeast Asia, a big difference from its behavior in East China Sea. After the 1996 violent clash with the Philippine navy, China refrained from further forceful activities in South China Sea. It peacefully negotiated territorial demarcation with Vietnam and signed a land-border agreement

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<sup>53</sup> *Nihon Keizai Shimbun*, evening ed., November 6, 2001

<sup>54</sup> Text of the agreement at: <http://www.aseansec.org/13196.htm>.

<sup>55</sup> Text of the agreement at: <http://www.aseansec.org/15157.htm>.

<sup>56</sup> <http://www.aseansec.org/16646.htm>.

in December 1999 and an agreement demarcating territorial waters and EEZ in the Gulf of Tonkin in December 2000.<sup>57</sup> In November 2001, China and the ASEAN countries signed a Declaration on the Conduct of Parties in the South China Sea by which they agreed to “undertake to resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force.”<sup>58</sup> The parties also committed themselves to undertaking “to exercise self-restraint in the conduct of activities that would complicate or escalate disputes” including, among others, “refraining from action of inhabiting on the presently uninhabited island, reefs, shoals, cays, and other features.” In practice, this agreement only recognized the *fait accompli* in South China Sea which was already advantageous for China. Furthermore, China declined to upgrade the agreement to a “code of conduct” which was regarded as legally more binding.

According to Johnston, China’s long-term intention is still to establish sovereign control over the Spratly Islands but there is a difference of opinions in the Chinese policymaking circle over the question if military options should be kept open or diplomatic negotiation is preferable.<sup>59</sup> The latter predominated for now. In March 2003, China conveyed its desire to accede to ASEAN’s Treaty of Amity and Cooperation. This application was accepted by the ASEAN governments in October of the same year.<sup>60</sup> The treaty stipulates on the mediation of disputes likely to disturb regional peace and harmony by a High Council comprising a ministerial-level representative from each of the ASEAN countries.<sup>61</sup> Although the mediation is not obligatory but dependent on agreement of the parties in dispute, China’s accession to the treaty can be interpreted as an expression of its readiness to strengthen the commitment to a peaceful dispute settlement.

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<sup>57</sup> Wang (2003) p. 403.

<sup>58</sup> <http://www.aseansec.org/13163.htm>.

<sup>59</sup> Johnston (2004) pp. 50-51.

<sup>60</sup> <http://www.aseansec.org/15268.htm>.

<sup>61</sup> <http://www.aseansec.org/1217.htm>; <http://www.aseansec.org/3632.htm>.

As a further sign of good will, China proposed and agreed to joint oil prospecting in the South China Sea with the Philippines in September 2004. Another agreement was reached in March 2005 among China, Vietnam and the Philippines. President Hu Jintao signed still another joint prospecting agreement with Vietnam when he visited that country in November 2005.<sup>62</sup>

All these conciliatory policies toward ASEAN countries were in sharp contrast with China's uncompromising behavior in the Taiwan Strait and East China Sea. After having taken a belligerent policy of intimidation against Taiwan in 1999-2000, China appeared to tone down its threats of military force.<sup>63</sup> In March 2005, however, the Chinese government enacted an anti-secession law that stipulates in Article 8 that, should forces seeking separation of Taiwan from China cause "serious situation" or the possibility of peaceful unification be completely lost, the government is allowed to take any measure including non-peaceful methods to defend the nation's sovereignty and territory.<sup>64</sup> In view of China's posture to accept a peaceful negotiation to settle territorial disputes with Southeast Asia as well as with Russia, Central Asian neighbors and India, its uncompromising policy in Northeast Asia is conspicuous. The Chinese government may be taking a conciliatory policy in the north, west and south in order to adopt an assertive policy in the east and secure political support from Russia, Central Asian neighbors, and Southeast Asian countries in case of an eruption of serious disputes in the east.<sup>65</sup>

China reportedly changed its policy toward multilateral institutions, probably because it came to feel more comfortable there when tensions with its neighbors in the north, west and south were eased. In June 2001, on the occasion of the sixth Shanghai-5 summit meeting, the heads of government agreed to establish a permanent institution named the Shanghai Cooperative

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<sup>62</sup> *Asahi Shimbun*, November 3, 2005

<sup>63</sup> Medeiros and Fravel (2003) pp. 28-29.

<sup>64</sup> <http://www.china-embassy.or.jp/jpn/xwdt/t187198.htm>

<sup>65</sup> Goldstein (2003) p. 61 interprets the double-sided policy of China – developing military capabilities on the one hand and cultivating ambiguous international partners on the other – as a “neo-Bismarckian” grand strategy.

Organization (SCO). In addition to the original five, Uzbekistan joined the grouping. In the 2002 summit, it was decided to set up the secretariat at Beijing and a regional anti-terrorist center in Kyrgyzstan.<sup>66</sup>

In the southeast, China and the ASEAN countries called for dialogue and exchange of views among their defense and military officials as a confidence-building measure in their Declaration on the Conduct of Parties in the South China Sea in November 2001. On the occasion of the ASEAN+China meeting of 2003, China proposed to form a conference within the ARF to increase communication among Asian militaries. This gesture was regarded as a marked departure from China's previous cautious posture.<sup>67</sup> Now the U.S. government was less enthusiastic about multilateral forums like ARF suspecting that China would take advantage of them to undermine U.S. alliances and U.S. influence in the region.<sup>68</sup>

U.S. antagonism was also directed against the East Asian summit meeting of December 2005. The idea of an East Asian Community had been in the air for some time. When the idea was finally endorsed by the APT summit meeting of November 2004, though, the participants reaffirmed that the "main vehicle for the eventual establishment of an East Asian Community" should be the APT and, therefore, ASEAN should be the "major driving force" of the process.<sup>69</sup> Both Japan and China accepted this proposal of ASEAN's probably to avoid unproductive rivalry between them. The "East Asian" nature of the December summit was further diluted when the foreign ministers' meeting of ASEAN decided in April 2005 to accept India, Australia and New Zealand as additional participants. Still, Richard Armitage, the former Deputy Secretary of State who maintains a strong influence on the East Asian policy of the second Bush

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<sup>66</sup> Modern China Library: <http://panda-mag.net/keyword/sa/kyouryoku.htm>

<sup>67</sup> Medeiros and Fravel (2003) pp. 26-27.

<sup>68</sup> Johnston (2004) p. 74.

<sup>69</sup> <http://www.aseansec.org/16847.htm>.

Administration, expressed his firm opposition to the idea of an East Asian Community by pointing out that China is very positive in joining consultative forums from which the United States is excluded.<sup>70</sup> The concern of American policymakers were perceivably proven true when the SCO summit meeting of July 2005 decided to accept Iran, together with India and Pakistan, as observers and to demand that the United States set the timetable for the withdrawal of its military forces that had stationed in three Central Asian countries since the beginning of the U.S. attack against the Taliban government in Afghanistan. From China's point of view, American troops deployed in Central Asia could be a part of the encirclement of China by American power.<sup>71</sup>

China, however, has been conspicuously passive in one security-related forum in the region, the Asia Security Conference. This conference known now as the Shangri-La Dialogue was first convened in 2002 by the International Institute for Strategic Studies, a British private institution, as a non-official forum to talk about security and defense issues in Asia. However, it turned out to be a rather high-profile meeting to which high-level officials including defense ministers or deputy defense ministers participated from the United States, Asia and some European countries. China sent only middle-level officials in the first three meetings and only in 2005 did it send an official delegation headed by the Director General of the Asia Department of Foreign Ministry.<sup>72</sup> The United States, in contrast, sent Deputy Secretary of Defense Wolfowitz in 2002 and 2003 and Secretary of Defense Rumsfeld himself in 2004 and 2005. China's passivity is partially explained by the presence of Taiwanese participants in the ASC while they are excluded from the ARF. In addition, although almost all ASEAN countries participate in the ASC meetings and Singapore is the host country, the ASEAN with which China has nurtured close cooperative

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<sup>70</sup> *Asahi Shimbun*, May 1, 2005.

<sup>71</sup> *The Economist*, June 8, 2002. Adopted from <http://www.iiss.org/confPress-more.php?confID=4>.

<sup>72</sup> *Asahi Simbun*, June 15, 2005.

relations in recent years is not in the driver's seat. China cannot influence participants and agenda of the conference either directly or indirectly through ASEAN.

In short, Southeast Asian countries' expectations to strengthen their ties with the robust Chinese economy and China's conciliatory posture toward them contributed to deepening ASEAN+China cooperation. China also became a more active participant in minilateral institutions such as ARF and APT. ASEAN's engagement policy for China may have bore first fruit. However, the U.S. government now feels more alienated from minilateral processes. Furthermore, China's conciliatory policy in Southeast Asia is matched by its uncompromising behavior in Northeast Asia. If closer China-ASEAN relations are tied with more assertive behavior of China in Northeast Asia, ASEAN's engagement policy may eventually bring about more uncertainty to Northeast Asia. It is to be seen if the ASEAN can extend, through a new East Asian Community, its engagement policy to Northeast Asia.

### **South Asia**

In spite of the 1993-96 agreements on confidence-building measures along the Line of Actual Control, China and India could not implement agreed-upon measures because the line had not been well drawn and some political groups in India feared that the demarcation itself could signal India's willingness to concede Aksai Chin to China.<sup>73</sup> At the same time, the rapid economic growth and expanding military expenditure of China also drew the attention of Indian policymakers. Facing a strengthening China, they realized that they had no ally to rely on. When India cited China to justify its nuclear test in May 1998,<sup>74</sup> it may have meant so at least partially. The Chinese government conceived India's behavior as an offense against China but

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<sup>73</sup> Wang (2003) p. 405.

<sup>74</sup> Horimoto (2001) p. 58.

responded to Prime Minister Vajpayee's call for rapprochement in August 1998 by signaling that China was preparing to recognize the state of Sikkim as an inalienable part of India's territory. Security dialogue and border negotiation were resumed in 2000.<sup>75</sup> Just like its policy toward ASEAN, China was highly conciliatory to India. In June 2003, Vajpayee responded to China's courtesy by visiting Beijing, first in ten years as Indian prime minister. The Chinese and Indian navies realized the first-ever joint exercise off the coast of Shanghai in November 2003.

In the meanwhile, the Indian economy showed a noticeable record of development after the Indian government started to implement market-oriented reforms in the early 1990s. The economic achievement, as well as the internationally appreciated self-restraint during the Kargil conflict in the summer of 1999, contributed to improving its international status. During the conflict, U.S. President Clinton put pressure on Pakistani Prime Minister Nawaz Sharif to withdraw the Pakistani regular forces and Islamic militants who had infiltrated into the Indian side of the Line of Control (IISS 2000: 151). Although both India and Pakistan were under economic sanctions imposed by the United States and international financial institutions after the nuclear test, Bill Clinton visited India in March 2000 as the first American president to do so since 1978. President Putin of Russia followed him seven months later and signed with India an agreement for strategic partnership.

In contrast, Pakistan was in a disadvantageous position. Politically, not only the nuclear test but also the toppling of the democratic process by Musharraf's *coup d'etat* made the U.S. sanction policy especially harsh against Pakistan. Economically, it was left behind by India. To counterbalance India's overall military superiority, Pakistan placed a special emphasis on missile capabilities which were regarded as more advanced in Pakistan than in India at the beginning of the new millennium (IISS 2001: 158).

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<sup>75</sup> Wang (2003) p. 406.

However, the equilibrium between India and Pakistan was broken again by Islamic radicals. They assaulted the Indian parliament compound in December 2001 and an Indian army base near Jammu in May 2002 killing many people. Some 500,000 Indian troops confronted face to face with the equal number of Pakistani troops on the Line of Control. The tension was eased only thanks to heavy international pressures and the firmer action of the Pakistani government to halt terrorist infiltration.<sup>76</sup>

In short, India successfully adjusted itself to the rapid ascent of China and to economic globalization. However, it continued to face the Kashmir conflict, as the legacy of the Cold War and imperialism. Lacking any sub-regional institution for security cooperation, India participated in ARF in 1996 and ASC in 2002. Pakistan was admitted into the ARF only in 2004 although it had been invited to the ASC earlier. The ASC, however, has served so far only for exchanging speeches and discussions.

## **V. WHAT DID SEPTEMBER-11 ATTACKS CHANGE IN ASIA?**

The September 11 attacks gave tremendous impacts on the United States as well as on almost all countries in Asia. The U.S. government, more than anybody else, needed to reconsider its basic security posture. Since thoroughly preventing terrorists from infiltrating in and smuggling dangerous weapons into the homeland is impossible, a homeland defense alone is not sufficient. Terrorists or their sponsoring governments must be destroyed in any place of the world before they launch terrorist attacks. In this context, President Bush declared Iran, Iraq and North Korea as part of the “axis of evil” in January 2002 and announced the necessity of preemptive action (the Bush Doctrine) in April of the same year. For the new security objectives, the Bush Administration planned a large-scale transformation and redeployment of American troops in the

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<sup>76</sup> IISS (2003) p. 122.

world to make them more flexible and agile. The new formation will have three components, first of which are small expandable bases staffed lightly but outfitted with supplies and equipment to rapidly accommodate far larger forces in a crisis. These small bases (“lily pads”) would be linked by a few large, heavy-infrastructure bases. At the margins, “virtual” bases would be set up by negotiating access rights with a wide range of states.<sup>77</sup> This reformulation of American troops cannot but affect the Asian countries that offer bases or facilities to the U.S. military. They also needed to adjust their policy to the Bush Doctrine symbolized by the U.S. initiative to launch a military attack against Iraq without a U.N. resolution.

On the other hand, encouraged by Al-Qaeda’s September 11 attacks and angered by the United States and its allies’ attacks against the Taliban and Saddam Hussein regimes, Islamic radicals tried to strengthen their activities in the world. Southeast Asia and South Asia saw several prominent terrorist activities. Although active international terrorist groups seem not to be harbored in any Northeast Asian country, North Korea took a clearly threatening behavior in the sub-region and was suspected to be exporting WMD-related materials and technologies to Middle East and South Asia. The Bush Administration then qualified North Korea as a terrorism assisting state.

In this way, the September 11 attacks added more uncertainty to the already complicated security conditions in Asia that had been created by the “end of the Cold War,” legacies of Cold War and imperialism, and the rapid ascent of China.

### **Northeast Asia**

When the Bush Administration decided to launch a military attack against the Taliban regime, the Japanese government faced a difficult situation. On the one hand, Japan’s Law on

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<sup>77</sup> Campbell and Ward (2003) p. 97.

Contributions to International Peace enacted just after the Gulf War allowed, for the first time in the postwar period, to send SDF troops abroad, but only for the purpose of participating in U.N. peacekeeping operations, humanistic assistance or election monitoring, and only on the basis of the consent of the host government and/or contending forces. Participation in the U.S.-led operations in Afghanistan did not fit any of these stipulations.

On the other hand, Japanese policymakers knew that there was a strong expectation in the Bush Administration that Japan would turn out to be a “Great Britain” in Asia. In the now-famous “Armitage Report” prepared by a bipartisan team and published in October 2000, authors insisted that once adrift U.S.-Japan alliance should be reinvigorated in the face of, among others, political and economic uncertainties in China and Russia and the fragile nature of détente on the Korean peninsula.<sup>78</sup> For this purpose, the authors regarded “the special relationship between the United States and Great Britain as a model for the alliance.” The United States, they continued, should reaffirm its commitment to the defense of Japan including the Senkaku Islands. This was a big departure from traditional U.S. policy toward Japan’s border disputes. The U.S. government used to take the position that the U.S.-Japan Security Treaty would not cover the disputed islands. For example, U.S. Ambassador to Japan Walter Mondale stated in 1996 that the Senkaku (Diaoyu) Islands were not covered by the U.S.-Japan security alliance (Koo 2005: 180). Armitage and his associates offered to change this policy. They, however, believed that Japan’s prohibition against collective self-defense is a constraint on alliance cooperation and, therefore, lifting the prohibition would allow for closer and more efficient security cooperation.<sup>79</sup>

Japanese society, however, was not ready for a quick Constitutional reform to that direction when the United States started anti-Taliban operations in Afghanistan. The Koizumi

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<sup>78</sup> Armitage et al. (2000).

<sup>79</sup> When the Armitage Report was published, many Japanese were worried that the Bush administration could pressure Tokyo into tougher measures toward China and North Korea (Rozman 2004: 298).

Administration decided to prepare a Provisional Anti-Terrorism Law by which SDF troops would assist U.S.-led coalition forces only in non-combatant zones and for non-combatant purposes. Providing fuels to U.S. navy ships, a major Japanese activity in the Arabian Sea, is actually an act of combat. But by an unconventional interpretation of the law, it was regarded as constitutional. This law, however, passed the Diet quickly and easily because Japan's public opinion was very sympathetic to the victims of the September 11 attacks and supported U.S. actions in Afghanistan.

When the United States took another initiative to attack the Saddam Hussein regime in 2003, public opinion in Japan was no longer so sympathetic to the United States as in 2001. The dilemma of the Koizumi government, however, was alleviated thanks to the deep threat perception created among the Japanese population by North Korean behavior in 2001-2003.

In December 2001, an armed high-speed boat suspected to be a North Korean spy ship was pursued and sunk by Japan's Maritime Safety Agency in southern waters of Japan. This incident was followed by another one, this time in the waters close to the mainland, in which unidentified ships escaped Japanese pursuit into the North Korean waters. On the occasion of Koizumi's visit to Pyongyang in September 2002, Japanese people's indignation was further strengthened by the revelation of a series of abductions that Kim Jong Il admitted had been conducted in Japan by North Korean agents during the 1970s and 1980s. Now, not only anger but also a palpable sense of vulnerability spread among Japanese citizens.

Alarmed by the Bush Administration's unabashed antagonism and dismayed by the unexpectedly harsh reaction from Japan, the North Korean government restarted brinkmanship diplomacy in October 2002 by admitting the existence of the program of producing enriched uranium for nuclear warheads. Blaming North Korea for the violation of the 1994 Framework

Agreement, the U.S. government announced the termination of oil supplies to North Korea and of the construction of light-water reactors through KEDO. North Korea responded by restarting the operations at the nuclear facilities of Yongbyon and pulling out of the NPT regime.

When the coalition forces started attacks against Iraq, the perception of the “North Korea threat” and national vulnerability had reached an all-time high level in Japan. More than ever, policymakers and citizens of Japan felt the necessity of U.S. protection against a hostile North Korea armed with nuclear weapons. Aided by this crisis perception, the Koizumi government, though still facing strong oppositions against sending SDF troops to Iraq where fighting had not yet ended, successfully passed in July 2003 a Provisional Law on Iraq allowing Japan to send SDF troops to Samawah to aid in reconstruction. But again to avoid the constitutionality problem, the troops were allowed to bring only light arms for limited self-defense purposes and, therefore, needed escorts provided first by the Dutch and then by Australian troops. The Japanese measures for Iraq were much less than the U.S. expectations expressed in the Armitage Report.<sup>80</sup> However, as one of a limited number of coalition forces, the Japanese presence was highly appreciated by the Bush Administration.

The main concern of the Japanese government and the SDF, however, continued to be homeland defense. In June 2003, a newly enacted law stipulated detailed measures to be taken by the central and local governments and other public entities when Japan was under direct attacks or faced the situation in which direct attacks were imminent.<sup>81</sup> In December 2003, the Japanese government decided to introduce a ballistic missile defense (BMD) system while continuing to engage in the U.S.-Japan joint development of a ship-based mid-course defense

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<sup>80</sup> Eight months after the publication of the Armitage Report, another report written by David Asher was published from the American Enterprise Institute for Public Policy Research (Asher 2001), in which the author explicitly demanded a constitutional reform to allow Japan to enter a collective-security alliance.

<sup>81</sup> JDA (2005) pp. 201-202.

system.<sup>82</sup> As shown symbolically by the photograph of a Taepodong launching site that was printed in the same page of the Defense White Paper where the introduction of the BMD system was explained, the main target of all these measures of Japan was North Korea.

However, the expansion of China's exploratory activities in East China Sea that were conducted in spite of the repeated protests from Japan, an allegedly accidental intrusion of a Chinese nuclear submarine in Japan's territorial waters in November 2004, and emotional nationalism demonstrated in the August 2004 Asia Cup soccer matches held in Chinese cities and by the anti-Japan demonstrations in April 2005 all gradually augmented the perception of "China threat" in Japan. The defense plan prepared by the Ground SDF for 2004-2008 reportedly listed North Korea, China and Russia as "potentially threatening countries." The most serious danger is regarded as coming from North Korea while the possibilities of military aggression from China and Russia are "small" and "very small" respectively.<sup>83</sup>

Besides close technological cooperation for the BMD-system development, the U.S. forces and the SDF are strengthening cooperation and integration in response to the American policy of military transformation and redeployment. Since Japan is to serve as one of a few hubs equipped with heavy-infrastructure bases, the reduction of American military troops will be limited. Furthermore, American troops will be redeployed inside Japan and a closer coordination between American and Japanese troops will be pursued. According to the interim report of the U.S.-Japan Security Consultation Committee (the so-called two-plus-two ministerial meeting) published in October 29, 2005, the First Army Corps will be transferred from the State of Washington to the Zama Camp near Tokyo and joined by the headquarters of Ground SDF's

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<sup>82</sup> JDA (2005) p. 147 and p. 156.

<sup>83</sup> *Asahi Shimbun*, September 26, 2005.

newly established Central Quick-Response Forces. The headquarters of Air SDF will also move to the Yokota Base where U.S. Air Force headquarters are located.<sup>84</sup>

In the meanwhile, the deteriorated relations between the United States and China seemed to be improving after the September 11 attacks because China looked supportive to U.S. anti-terrorist campaign in the world. It joined other countries in denouncing international terrorism in many occasions and voted for the Resolution 1441 demanding that the Iraq government provide a fuller cooperation to the U.N. inspection under the warning that the lack of Iraqi compliance could lead to a “serious situation.” China also helped persuade North Korea to participate to the Six-Party Talk, first of which was held in August 2003.

However, China never accepted the Bush Doctrine and supported the French, German and Russian position opposing military actions against Iraq. The slow and limited progress at the Six-Party Talks also irritated the Bush Administration and heightened its dissatisfaction with China whose pressure upon North Korea was regarded as too compromising. Furthermore, during this period, the Chinese military continued its modernization efforts using resources stemming from its continuously growing economy. Its aggressive search for energy resources was also irritating to the U.S. government. These behaviors of China alarmed people who take the realist position in the Bush Administration.

The Department of Defense’s annual report on the military power of China warned in July 2005 that the continuing military buildup of China “could pose a credible threat to other modern militaries operating in the region” and pointed out that the lack of transparency concerning military capabilities and motivations of China was a source of the problem.<sup>85</sup> It estimated that the real military expenditure of China could be two or three times the officially published

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<sup>84</sup> *Asahi Shimbun*, October 30, 2005.

<sup>85</sup> U.S. Department of Defense (2005).

figures. One month before the publication of the DoD report, Defense Secretary Rumsfeld had made the same warning at the fourth ASC meeting in Singapore. Rumsfeld visited Beijing on invitation in October 2005 and repeated the same complaint to his hosts. He also criticized the Chinese refusal to set up a hotline between the United States and Chinese militaries for contingencies.<sup>86</sup>

Facing highly unfriendly behavior of the U.S. government and strengthening ties between United States and Japan, Jisi Wang, Dean of the School of International Studies at Peking University and Director of the Institute of International Strategic Studies at the Central Party School of the Communist Party of China, wrote in 2005 that many Chinese view the United States as “a major threat to their nation’s security and domestic stability” but China must maintain a close relationship with the United States if its modernization efforts are to succeed. This is because, according to Wang, the United States is currently the only country with the capacity and the ambition to exercise global primacy and it will remain so for a long time to come.<sup>87</sup> Wang expresses his concern that the “China threat” theory has pushed right-wing forces in Japan increasingly toward the United States as their protector.<sup>88</sup> This discourse of self-restraint, however, does not help alleviate the “China threat” perception because it is like saying that China waits until it gets stronger with further economic and social development.

As Wang worries, China’s rapid military expansion and its unilateral actions in East China Sea further pushed Japan to the U.S. side. On the occasion of the U.S.-Japan Security Consultation Committee of February 2005, the parties agreed that peace in the Taiwan Strait was one of their joint security concerns. In some quarters, this agreement was interpreted as tantamount to Japan’s full commitment to cooperation with the U.S. forces in case of a Chinese invasion in

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<sup>86</sup> *Asahi Shimbun*, October 20, 2005.

<sup>87</sup> J. Wang (2005) p. 39.

<sup>88</sup> J. Wang (2005) p. 44.

Taiwan leading to a military clash with the United States. The adoption of the anti-secession law the following month was a Chinese response to the U.S.-Japan agreement. The closer ties between the United States and Japan were thus perceived as threat by China. Here exists another action-reaction cycle.

Actually, there is no consensus in Japan on the extent to which Japan should cooperate with the U.S. troops when China and the United States started to fight over Taiwan. In addition, as closer military connections between the United States and Japan need a large-scale troop redeployment, citizens and local governments are strenuously opposing any new deployment in their place. Although Japanese citizens' "China threat" perception is greater today than two years ago, their threat perception is not strong enough to accept the troop reformulation or a clear-cut support to the U.S. war effort in a Taiwan contingency.

With the lack of trust between China on the one hand and the United States and Japan on the other, and with the chicken-game diplomacy pursued by North Korea, institutional development in Northeast Asia continues to be poor. Some express the hope that the Six-Party Talks will eventually develop into a framework for security cooperation in Northeast Asia. However, North Korea does not seem to compromise easily while the U.S. government does not trust North Korea's sincerity and the Japanese government, under strong popular pressure, cannot take any initiative unless a substantial progress is achieved in the abduction cases.

## **Southeast Asia**

Southeast Asia received more direct impacts from the September 11 attacks, the war in Afghanistan, and the war in Iraq. Since these events contributed to radicalizing a part of the Islamic youth, the Southeast Asian countries which hold Islamic population faced difficult

situation. Indonesia and the Philippines became victims of terrorist attacks while Thailand experienced clashes between the police and Islamic villagers in the south.

In fighting with terrorists, however, governments in the sub-region had to be careful not to antagonize Islamic population in general. Their carefulness is well observed in the Joint Communiqué of the Special ASEAN Ministerial Meeting on Terrorism convened in Kuala Lumpur in May 2002, in which the ministers strongly emphasized “that terrorism must not be identified with any religion, race, culture or nationality.” The same communiqué also reaffirmed that the sovereignty, territorial integrity and domestic laws of each ASEAN Member Country should be respected and upheld in undertaking the fight against terrorism.<sup>89</sup> This is the usual expression of the well-known ASEAN principle of non-intervention. In fact, although ASEAN heads of the government adopted, as early as November 2001, a series of counter-terrorist measures including information exchange and cooperation among law enforcement agencies,<sup>90</sup> real actions were entrusted to each government whose compliance could be ensured only by peer pressure.

It seems to have taken some time before cooperation and peer pressure took some effect. The arrest of suspected Jemaah Islamiah (JI) members by the Singaporean authorities was conducted with the help of U.S. intelligence, followed by arrests in Malaysia and the Philippines in early 2002.<sup>91</sup> The June 2003 arrest of several JI members who had allegedly been planning to bomb the American and Singaporean embassies in Bangkok involved cooperation among Thai, Singaporean and Malaysian security agencies.<sup>92</sup> The Indonesian government, however, was reluctant to arrest Abu Bakar Bahshir, Islamic cleric and a prominent JI leader, proceeding only

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<sup>89</sup> <http://aseansec.org/5618.htm>.

<sup>90</sup> <http://www.aseansec.org/3638.htm>.

<sup>91</sup> Khong (2004) p. 193; Deheny 2005 p. 236.

<sup>92</sup> Khong (2004) p. 194.

after the Bali bombing killed 202 people in October 2002.<sup>93</sup> This arrest, however, could not stop terrorist activities in Indonesia. Large-scale bombings continued in Jakarta and Bali.

To fight against terrorist threat, some of the ASEAN governments deepened their ties with the United States. As early as February 2002, the Philippine government accepted 660 U.S. troops for training and joint exercises to fight against the Abu Say'yaf rebels in the southern islands. Singapore, Malaysia and Indonesia continued to offer to the U.S. forces access to facilities for port calls, repairs and military exercises.<sup>94</sup> Singapore even participated in the Proliferation Security Initiative (PSI) that had been proposed by President Bush in May 2003 to prevent the smuggling of WMD, their delivery systems, and related materials through multinational operations including forceful interdiction. Singapore hosted the eighteenth interdiction exercise conducted in August 2005 in South China Sea. Aside from Singapore, the United States, Japan, Australia, New Zealand, and United Kingdom participated in the exercise.<sup>95</sup>

The perceived dependence of the ASEAN countries upon the United States, however, was not so deep as the one of Japan. No Southeast Asian country except Singapore is participant in the PSI exercises. Even the Singaporean government does not conceal its concern about the hard-line posture of the U.S. Government toward China. In the keynote speech to the ASC meeting of June 2005, Singaporean Premier Lee Hsien Loong stated that a strategy of confronting China would incur its enmity without seriously blocking its growth, while any attempt to contain China would have few takers in Asia. He argued that ASEAN countries were nurturing their ties with China and India but were also keen to grow their links with the United State to avoid any closed

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<sup>93</sup> Deheny (2005) p. 250 and p. 252.

<sup>94</sup> Khong (2004) p. 194.

<sup>95</sup> <http://www.state.gov/r/pa/prs/ps/2005/51032.htm>.

arrangement that could split the Pacific down the middle.<sup>96</sup> Here expressed is ASEAN's broad engagement posture.<sup>97</sup>

The September 11 attacks, wars in Afghanistan and Iraq, and subsequent radicalization of a part of the Islamic community led to several serious bombings and arrests in Southeast Asia. However, these threats have not been perceived so grave as to force a serious transformation of ASEAN or the abandonment of its broad engagement principle.

### **South Asia**

The impact of the September 11 attacks and the war in Afghanistan was felt most deeply in the South Asian sub-region because Pakistan harbored many radical Islamic groups. Pervez Musharraf, who became Pakistani President in June 2001, was placed under strong U.S. pressure to crack down on the radical groups including Taliban and Al-Qaeda soldiers who sought a hideout in Pakistan. Musharraf, however, needed to be even more careful than his Southeast Asian counterparts because domestic support to radical Islamism is much greater in Pakistan. The Musharraf government, as well as the Indian government, expressed its support to the "war on terror" including U.S. military operations in Afghanistan. The U.S. government responded by revoking economic sanctions against the two countries. However, Musharraf was obstructed by strenuous activities of Islamic militants not only in Kashmir, but also in Pakistan and India. The introduction of new submarines was adversely affected by the May 2002 terrorist attack, in Karachi, which killed eleven French naval engineers.<sup>98</sup> He was almost forced to go on war with India in mid-2002 by a series of terrorist actions in India and Kashmir.

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<sup>96</sup> <http://www.iiss.org/shangri-la-speeches.php?itemID=44>.

<sup>97</sup> This position is also endorsed by Acharya (2003).

<sup>98</sup> IISS (2003) p. 126.

India, in contrast, took advantage of the situation by strengthening its ties with the United States. In February 2002, India concluded an agreement with the United States by which the Indian navy and the U.S. navy would share every six months the duties to patrol the Malacca Strait to protect merchant ships.<sup>99</sup> India also made naval yards available to U.S. ships in the Arabian Sea. In January 2004, India and the United States signed an agreement on civilian nuclear and space program, high technology trade and missile defense.<sup>100</sup>

Clearly in a disadvantageous position in the region, Musharraf agreed to resume an official dialogue with India when he met Vajpayee at the SAARC meeting in Islamabad in January 2004. Next month, the two sides agreed to get into a “composite dialogue” on issues including nuclear confidence-building measures and the Kashmir problem. Transportation links between the two sides were reconnected. Pakistani authorities arrested the top leader of Harakat al-Mujahedin, one of the most militant groups in the region. Cross-border infiltration into India-controlled Kashmir reportedly declined throughout 2004.<sup>101</sup>

The Musharraf government’s more assertive policy against militant groups, his conciliatory posture toward India, and the revelation in February 2004, by the Pakistani government, of secret networks that Dr. Kahn had helped organize to illegally export WMD technologies contributed to improving its relationship with the United States. In March 2004, U.S. Secretary of State Powell granted Pakistan “major non-NATO ally” status.<sup>102</sup>

Although terrorist attacks continued in Kashmir, India and Pakistan, the rapprochement between the two countries persisted, and in October 2005 the two sides signed an agreement on advance notification of ballistic missile flight tests. When a huge earthquake hit the Kashmir-Pakistan

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<sup>99</sup> IISS (2003) p. 125.

<sup>100</sup> IISS (2005) p. 146.

<sup>101</sup> IISS (2005) p. 143.

<sup>102</sup> IISS (2005) p. 147.

border area and killed 70,000 people in mid-October 2005, it offered both Pakistani and Indian governments an opportunity for further cooperation in Kashmir. The two governments agreed that the Line of Control would be liberated for relief activities and telephone lines were to be reconnected.<sup>103</sup>

In short, the September 11 attacks and subsequent wars in Afghanistan and Iraq activated radical Islamic groups in Pakistan and Kashmir and put the Musharraf government under a heavy strain. However, as India took advantage of the situation and improved its relationship with the United States to a great extent, the Pakistani government was forced to counter the move by being more tough against Islamic militants and more conciliatory to India. It will not be easy for the two governments to overcome persistent nationalistic (and also religious in the Pakistani case) pressures from respective domestic society.<sup>104</sup> For now, however, the two governments seem to be ready to interact peacefully to solve mutual problems. The SAARC served again as a meeting place, but the prospect of its turning into a security forum is still small.

## **VI. FUTURE OF INSTITUTIONAL ARCHITECTURE FOR ASIAN SECURITY**

Three events -- the “end of the Cold War,” the Asian economic crisis, and the September 11 attacks -- deeply transformed the regional security environment in Asia. The “end of the Cold War” meant, in Asia as well as in Europe, a drastic decline of the Soviet/Russian influence and a concomitant (temporal) decline of overseas commitment of the United States. The large-scale troop reduction plan announced by the U.S. government in the early 1990s strengthened the perception of a power vacuum in the region and heightened security concerns of many countries. This concern further expanded because of the resurgence of legacies of imperialism, another

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<sup>103</sup> *Asahi Shimbun*, October 19, 2005

<sup>104</sup> Kang (2003) pp. 371-372 points out that the issue over Kashmir is a conflict over national identity: Islamic for the Pakistani and secular-multiculturalist for the Indians.

consequence of the “end of the Cold War.” Historical animosities among some regional countries originating in the imperialist era had been contained to a certain extent during the Cold War but reemerged after its “end” as major national and sub-regional issues.

What further complicated the new security environment was the fact that the Cold War had not actually come to a clear-cut “end” at least in some parts of Asia. Legacies of the Cold War served to deteriorate security environment there.

Although the perception of power vacuum was partially alleviated by the U.S. announcement of its continuing commitment to East Asia, the Asian economic crisis and the ascent of China as its major result brought about another uncertainty to the security environment in Asia. Although the robust Chinese economy heightened the expectation that everybody could gain from closer economic interdependence, China’s rapid military modernization inevitably made many people wonder how China could use newly obtained military capabilities.

The September 11 attacks further complicated the security environment in Asia, first by activating radical Islamic groups in the region. However, a larger impact of the attacks is observed in the strengthening of the hard-line, realist posture of the U.S. government. It is accompanied by a large-scale transformation and redeployment of U.S. military forces that cannot but affect security calculation of many countries in the region.

Among the three sub-regions in Asia, Northeast Asia is the one most deeply affected by the legacies of Cold War and imperialism, the ascent of China, and the reformulation of U.S. security posture.

The highly autocratic and uncompromising regime in North Korea and the China-Taiwan relations are two of the most important and inter-related legacies of the Cold War in Northeast Asia. Interactions between North Korea and other countries in the sub-region strengthened U.S.

and Japanese threat perception on North Korea (but not so much the South Korean or Chinese perception). The consequent increase of nationalistic sentiment in Japan as well as the renewed security cooperation between the United States and Japan, though mainly targeted to North Korea, were perceived by China as a threat to its security.<sup>105</sup> This threat perception of China was worsened by the reactions from the United States and Japan to the belligerent behavior of China concerning Taiwan.

History-based animosities between Japan and China as well as between Japan and South Korea, as legacies of imperialism, further deteriorated the security environment in Northeast Asia. The adoption of a nationalistic history textbook, prime minister's visit to the Yasukuni Shrine, and sporadic statements by conservative Japanese politicians justifying Japanese conducts during the colonial and war periods angered the Chinese and the Koreans. Their repeated reproaches against "the Japanese" as a whole and their blame for resurgence of militarism made Japanese citizens embarrassed and increasingly feel fed up with the reprimands. The expression of anti-Japanese sentiment was growing to be emotional and violent, especially in China. The emotional nationalism has invoked emotional reaction from a part of Japanese society, helping nationalistic politicians and intellectuals increase their influence in Japan. Their behavior, in turn, further angered the Chinese and the Koreans.

The perception in the United States and Japan that China might eventually become a serious threat factor in East Asia gradually grew when China repeatedly implemented nuclear tests and, in early 1996, mobilized navy ships and launched missiles in the Taiwan Strait. The "China threat" discourses and strenuous criticism against China's human rights policy in the United States invoked anti-American nationalism in China. As the Chinese economy continued to grow rapidly in spite of the Asian economic crisis and its military expenditure expanded even quicker,

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<sup>105</sup> Matthews (2003).

“China threat” perception further increased in the United States. It invoked highly emotional reaction from China shown on the occasion of the Belgrade bombing and the plane-crash incident, which, in turn, strengthened the threat perception in the United States.

Unilateral explorations of undersea resources and increasingly noticeable navy-ship activities that China conducts in East China Sea neglecting repeated Japanese protests have heightened “China threat” perception and nationalist sentiment in Japan. This threat perception, worsened by the surge of anti-Japan discourses and movements in China, pushed many Japanese leaders and citizens to be further dependent on the U.S. military capabilities. Here observed is a strange combination of nationalism and dependence which can be called “dependent nationalism.”

The surge of the Japanese sense of dependence was coincided with the U.S. policy of military transformation and redeployment that was precipitated by the September 11 attacks. The increasing integration of the U.S. and Japanese forces, together with the newly established U.S. military bases in three Central Asian countries, strengthened the Chinese concern about being encircled.

Legacies of the Cold War and imperialism, the rapid ascent of China, and the September 11 attacks – all contributed in Northeast Asia to invoking action-reaction cycles between the United States and China as well as between Japan and China, thus worsening mutual perception of threat.

As a consequence, the bilateral U.S.-Japan security ties have been refurbished while China regards them as threat. In contrast, the security ties between the United States and South Korea have been weakened mainly because threat perception about North Korea diverges between the U.S. and South Korean governments. The latter believes that engagement can make North Korea

more conciliatory while the former does not trust North Korea. Under this security environment, both the NEACD and the Six-Party Talk continue to be fragile.

Surprisingly, economic transactions between the United States and China as well as between Japan and China are as robust as ever. Emotional nationalism has not impeded market-based businesses in Northeast Asia so far. There is no other place in the world where the separation between economics and politics is as conspicuous as it is in Northeast Asia. However, lacking basic trust among the countries, the prospect of their successfully negotiating bilateral or trilateral FTAs in the sub-region is rather dim.

In sharp contrast with Northeast Asia, the “end of the Cold War” was more clear-cut in Southeast Asia. Vietnam, the major threat during the Cold War era in the sub-region, was so weakened that it chose to coexist peacefully with its neighbors. Without a serious legacy of imperialism and thanks to the preexistence of stable and prosperous ASEAN, it could face the “power vacuum” situation by enlarging ASEAN-led engagement nets to China. The loose, consensus-based organization of ARF emulated from the ASEAN helped persuade hesitant participants like the United States and China to get into the scheme.

Economically strengthened China responded to ASEAN’s engagement policy in a conciliatory manner, a posture very different from the one it has taken in Northeast Asia. In 2002, China signed a framework agreement with ASEAN to establish a free trade area in ten years and started to reduce tariffs in 2004. In 2001, China also signed a Declaration on the Conduct of Parties in the South China Sea by which China and ASEAN agreed to undertake to resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force. As a further sign of good will, China reached agreements with the Philippines and Vietnam on joint oil prospecting in South China Sea. With tensions with its neighbors in the north, west and south

eased, China became a more positive participant to multilateral dialogue on security issues in the organizations like SCO and ARF.

The September 11 attacks and subsequent radicalization of a part of the Islamic community led to closer links between the United States and Southeast Asian countries for the common purpose of “war on terror.” However, the links did not become so close as it hampered the entente between China and ASEAN.

No doubt, ASEAN’s engagement policy, under the favorable “end of Cold War” conditions, made it possible for the Southeast Asian sub-region to avoid being trapped into the devastating action-reaction cycles seen in Northeast Asia. Table 5-1 shows the peculiarity of Southeast Asia, in comparison with Northeast and South Asia, with regard to its security concern. The major concerns about security for the Japanese, the Koreans, the Chinese, and the Indians are highly parochial. The problem in the Korean peninsula is of utmost importance for the Japanese and the Koreans while the Chinese are most worried about U.S. military dominance and its relations with Taiwan. Citizens in Delhi are most concerned about India-Pakistan relations.

**Table 5-1: Major Security Concerns in Asia, August/September 1999<sup>a</sup>**

	Japan <sup>b</sup>	South Korea <sup>b</sup>	Beijing	Bangkok	Kuala Lumpur	Jakarta	Delhi
Korean Peninsula	64	64	8	18	12	21	3
China-Taiwan Relations	17	14	41	32	31	19	9
Territorial Disputes	24	25	25	28	21	29	14
U.S. Military Dominance	16	24	50	25	44	37	22
Japanese Military Power	12	31	33	6	11	11	2
China-India Relations	5	6	2	11	6	7	45
India-Pakistan Relations	10	6	3	24	33	22	86
Middle East	19	17	7	27	27	36	10

**Table 5-2: Best Measures for Peace and Stability in Asia, August/September 1999<sup>c</sup>**

	Japan <sup>b</sup>	South Korea <sup>b</sup>	Beijing	Bangkok	Kuala Lumpur	Jakarta	Delhi
Strengthening UN Functions	47	47	58	47	60	80	34
Regional Framework for Security	39	39	26	32	51	45	27
Existence of U.S. Military	16	20	2	7	7	10	5
Mutual Understanding through Dialogue	45	48	47	62	57	63	63
Strengthening Own Defense Forces	13	49	56	22	34	41	28
Nuclear Deterrence	19	38	10	31	9	3	18
Efforts for Arms Reduction	29	21	13	9	20	26	44
Efforts for Nuclear Ban	50	36	30	39	44	26	46

Sources: *Asahi Shimbun*, October 24, 1999.

Notes: a Respondents are asked to choose two most serious concerns.

b National survey.

c Respondents are asked to choose three most important measures.

In contrast, security concerns are dispersed for citizens of Bangkok, Kuala Lumpur and Jakarta. No single issue monopolizes their attention. Not having especially worrisome threats in vision, people in Southeast Asia are more hopeful about security dialogue as shown in Table 5-2. Support to “mutual understanding through dialogue” is much higher in three Southeast Asian cities than in Northeast Asian countries. Similarly, a higher expectation is placed on the United Nations and “regional framework for security” in Kuala Lumpur and Jakarta than in Northeast

Asia. The Koreans and Beijing residents emphasize the importance of “strengthening own defense forces” while the Japanese peculiarly seek comfort in “efforts for nuclear ban.”<sup>106</sup>

Helped by the conciliatory posture of China, ASEAN has been successful in consolidating the hub-and-spoke arrangement centered on itself. In the East Asian Summit (EAS), ASEAN will again sit in the driver’s seat. The membership of the EAS is narrower than the ARF but broader than APT. The United States and the EU are members of the ARF but are excluded from the EAS. Although the EAS diluted its nature as an “East Asian” entity by admitting India, Australia and New Zealand, the U.S. government does not conceal its concern that China may utilize it to weaken the hub-and-spoke security network centered on the United States.

The “end of the Cold War” left a serious legacy in South Asia in the form of radical Islamic groups and ideology. The difficulty was compounded by the resurgence of the Kashmir conflict which had been a leftover of the British imperialism.

Although South Asia successfully adjusted itself to the ascent of China mainly thanks to this country’s conciliatory posture, the September 11 attacks and the subsequent wars in Afghanistan and Iraq worsened the security environment in South Asia. Islamic guerrillas’ activities almost provoked a major war between India and Pakistan in 2002 as well as in 1999. What is peculiar about India is that, as shown in Table 5-2, the support to the policy of “strengthening own defense forces” was not high among the Delhi residents although the opinion survey was conducted just after the Kargil incident. Instead, they appreciated more highly “mutual understanding through dialogue” and efforts for arms reduction and nuclear ban. This conciliatory attitude of Indian people probably helped their government to take self-restraining policy during the Kargil conflict.

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<sup>106</sup> Lind (2004) p. 118 is totally wrong in her judgment on “antimilitarist nuclear allergy” in Japan.

Enjoying higher international esteem gained by the self restraint and economic advance and taking advantage of the situation just after the September 11 attacks, India improved its relationship with the United States to a great extent. The Pakistani government was forced to counter the move by being tougher on Islamic militants and more conciliatory to India. As a result, security dialogue was resumed in 2004 and started to have some effects although it is not yet clear if the Musharraf government can overcome nationalistic and religious pressures from domestic society.

The serious conflict between India and Pakistan has impeded any development of security-promoting forum in South Asia. India and Pakistan are separately connected with the United States through agreements to offer services and facilities to the U.S. forces. India also positively and successfully seeks to get involved in the ARF and EAS. Pakistan in its part signed ASEAN's Treaty of Amity and Cooperation and was accepted as the 24<sup>th</sup> member of the ARF in July 2004. The two South Asian giants are now covered by U.S.-centered and ASEAN-centered hub-and-spoke networks simultaneously.

In conclusion, the "end of the Cold War," the Asian economic crisis, and the September 11 attacks augmented uncertainty in the security environment of Asia. The uncertainty and indefiniteness were especially conspicuous in the Northeast Asian sub-region, followed by the South Asian sub-regions. Interactions among the United States and Northeast Asian countries within this uncertainty have degenerated into action-reaction cycles leading to an increasing perception of mutual distrust and threat.

The hub-and-spoke network between the United States and several Asian countries survived the "end of the Cold War" although U.S.-Philippine and U.S.-South Korean ties have been weakened to a certain extent while the U.S.-Japan relations have been strengthened. The U.S.-

centered network was reinforced by a series of bilateral agreements of facility supply after the September 11 attacks although their long-term durability is yet to be seen.

Uncertainty was relatively mild in the Southeast Asian sub-region and, therefore, it could become a new center of regional efforts for institution-building. More specifically, ASEAN, with its achievements as sub-regional stabilizer and its consensus-based engagement posture, became a new hub around which were formed ARF, APT and EAS. However, ASEAN has been successful in its efforts for regional institution-building partially because these institutions are loose, non-binding forums and because China has been conciliatory in Southeast Asia. A huge challenge ahead is if ASEAN-centered forums can bring about the same level of conciliatory environment to Northeast Asia and South Asia where legacies of Cold War and imperialism are felt much more strongly.

Certainly, ASEAN-centered forums alone are not sufficient to improve the security environment in Northeast and South Asia. Since the mistrust and mutual threat perception rooted in history have been reproduced or expanded through action-reaction cycles of discourse and behavior of the concerned countries, efforts to reverse the malign cycles are desperately needed.

The Japanese leaders should refrain from taking actions that so deeply hurt Chinese and Korean national identity. They should also avoid the temptation to believe that the U.S.-Japan military integration (dependent nationalism) can solve Japan's security problems since there is no assurance that the current hard-line realist policy continues to be pursued by future U.S. Administrations in light of the declining popularity of the Bush Administration and the huge perception gaps that divide Republicans and Democrats.<sup>107</sup>

The Chinese and Korean leaders, in their part, need to avoid blaming Japan as something (like militarist) that it is not. They should be aware that the support for military options is still very

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<sup>107</sup> Yankelovich (2005).

small among Japanese citizens. They should dissuade their citizens from being emotionally nationalistic because emotional nationalism only invokes emotional reaction.

As for the territorial and border disputes among Japan, China and South Korea, the issue of islands ownership and maritime borders is deeply ingrained in the national identity of each people because of their historical experiences. National identity is intangible and undividable, and, therefore, to maintain status quo is the only realistic solution for now. Natural resources around the islands and borders, however, are tangible and dividable. Their division should be subject to peaceful negotiation while parties avoid unilateral actions which would only augment the feeling of unfairness and distrust. A solution to the resource-division problem may serve to halt and reverse the action-reaction cycles among the countries.

In the Kashmir case, we need to ask ourselves what can be tangible and dividable goods there. The reconstruction of disaster-hit Kashmir through increased economic and social sharing and contributions between the two sides of the LOC may be the one.

After all, security cooperation or the lack thereof is largely affected by human perceptions about friends and enemies. These perceptions, however, are not unrelated to material “reality” like military capabilities and economic interdependence. By managing “reality” wisely, concerned parties can improve their security environment to be more amicable for peace and stability.

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