Senior Policy Seminar

Key Issues in Asia Pacific Security

East-West Center

SENIOR POLICY SEMINAR 2001

Key Issues in Asia Pacific Security

EAST-WEST CENTER

The Senior Policy Seminar Series summarizes discussions and conclusions at an annual meeting of senior security officials and analysts from countries of the Asia Pacific region sponsored by the East-West Center. These seminars facilitate nonofficial, frank, and non-attribution discussions of regional security issues. The summary reflects the diverse perspectives of the participants and does not necessarily represent the views of the East-West Center. The price per copy is $7.50 plus shipping. For information on ordering, contact:

Publication Sales Office
East-West Center
1601 East-West Road
Honolulu, Hawaii 96848-1601
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Preface

Charles E. Morrison, President, East-West Center

The 2001 Senior Policy Seminar at the East-West Center was the third in an annual series of high-level seminars focusing on security issues in the Asia Pacific region. The Senior Policy Seminars bring together senior security officials and analysts from countries around the region for nonofficial, frank, and non-attribution discussions of the differing perspectives on these issues. In keeping with the Center's founding mission, the objective of this series is, through these exchanges, both to promote mutual understanding and to explore possibilities for improving the problem-solving capabilities and mechanisms in the region.

The Seminar series is also intended to further the East-West Center's overall institutional objective, adopted by its Board of Governors in 1998, of facilitating the building of an Asia Pacific community in which the United States is a natural, valued, and leading member. For the United States to be an accepted and effective member of this community, not only must Americans gain a better understanding of the region's dynamics, but U.S. policymaking must be better attuned to the perceptions and operating styles of the other countries in the region. It is the continuing hope of the East-West Center that the discussions at this seminar series, and the reports from these meetings, will make a contribution toward this goal. In addition, they help inform the agenda of the East-West Center's other research, dialogue, and education activities.

As in any such undertaking, this Seminar and report reflect the combined efforts and contributions of many individuals. Muthiah Alagappa, Director of the East-West Center Washington, D.C. Office and a former East-West Center Senior Fellow, was co-convener and co-moderator of the Seminar. Adjunct Senior Fellow Richard Baker was the third co-organizer and also helped coordinate the preparation of the report. Brad Glosserman, Director of Research at the Pacific Forum/CSIS Honolulu, served as rapporteur and authored this report. The Seminar was ably organized and supported by East-West Center Seminars Coordinator Sheree Groves, Program Officer Jane Smith-Martin, Seminars Project Assistants Rosevelt Dela Cruz and Fitha Dahana, Seminars Secretary Marilu Khudari, Seminars Program Assistant Abigail Sines, student assistant Kristell Corpuz and research interns Yoshi Amae, Akihiko Takahashi, Takashi Yamamoto, and Minmin Zhang. The staff of the East-West Center's Imin Conference Center under Assistant Manager Marshal Kingsbury very efficiently prepared the conference venue and associated facilities, and Benji

Bennington and Bill Feltz of the Center's Arts Program created an attractive multicultural display. Editorial and production assistance for the report were provided by Susan Kreifels, East-West Center Assistant to the President, copy editor Deborah Forbis, and the East-West Center Publications Office under Publications Manager Elisa Johnston. All have my deep appreciation.

Above all, however, I wish once again to express my gratitude to the Seminar participants. All participants have important multiple responsibilities and demands on their time; some hold major official positions. Yet the participants, many of them for the third year in a row, made the time to attend the Seminar and bring their respective expert insights to bear on the discussions. To both the Seminar "alumni" and those who were attending for the first time, our thanks for your contributions to the exchange of views, which is the driving purpose and most important product of the project.

Executive Summary

A decade after the end of the Cold War, the only certainty in international relations is the fact that U.S. power is preponderant in the world. It is only appropriate then that this year's Senior Policy Seminar, the third annual get-together sponsored by the East-West Center to explore security policy issues in the Asia Pacific region, began and ended with discussions of U.S. foreign policy. In between, participants considered a wide variety of issues affecting a region that possesses a diversity of cultural, political, and economic traditions, that is being battered by an array of forces, and that is struggling with fundamental transitions. It was no surprise that the deliberations yielded more questions than answers.

Geographically, the discussions spanned the entire region, from the seeming stalemate in dialogue between North and South Korea to the hope that there may at last be some solution to Indonesia's woes. There were debates over the guiding principles of international order as well as scrutiny of the problem of localized conflicts and the role of multilateral institutions. Major themes that emerged from the discussions include:

■ U.S. power is preponderant in both the Asia Pacific region and the world and is likely to continue to be so in the short- and medium-term. There are questions about how the United States will exercise this power and to what ends.

■ Paradoxically, despite the overwhelming disparity between its power and that of any other nation, the United States' ability to influence outcomes appears to be diminishing. Washington's willingness to accept the limits of its influence will be a key factor in its relations with Asia Pacific governments.

■ Globalization continues to erode the power of governments within the region as external forces play an increasing role in national decision making. The future success of regional governments will depend on their ability to take advantage of the opportunities created by globalization rather than be exploited by it. Similarly, governments need to be prepared to accommodate the new political pressures from below that are created by globalization.

■ China's emergence as a regional power poses a daunting challenge for the Asia Pacific order. Chinese participants maintained that their country is often misunderstood. Playing up a Chinese military threat is mistaken, they argued, because China's focus over the short- and medium-term will continue to be its

own development and modernization. Nonetheless, China's rise will continue to strain the existing structure of relations within the region.

■ While the odds of military conflict between states are low, conflict within states is rising. The region faces a wide spectrum of threats. Security planning must adjust accordingly.

■ There is no alternative to international cooperation and coordination. Many of the new security challenges are transnational in origin and nature, and no nation can combat them alone.

■ The Asia Pacific region's diversity requires that it develop its own security architecture; it cannot import solutions, such as an Asia Pacific NATO. Any successful mechanism will respect that diversity and the distinctively Asian way of resolving disputes that has emerged.

A geographic survey revealed little immediate prospect of an outbreak of hostilities in the region, but there are still grounds for concern over time. The North-South dialogue on the Korean peninsula has stalled and shows little prospect of resuming. Japan has a charismatic prime minister, but he faces intractable forces within his party and throughout the political world; reform and rejuvenation of the world's second-largest economy is guaranteed to be a multiyear project. Cross-strait dialogue is also stalled, and there is little sign of movement toward compromise in Beijing and Taipei. "Red lines" have been drawn, however, and neither side is expected to violate them.

China is beginning the transition to its fourth generation of leadership in the communist era, and that process is expected to be all consuming. Every effort is being made to ensure that the succession is friction free. Indonesia now has its fourth president in just over three years. Fortunately, the transition was peaceful. Unfortunately, the new government faces the same problems that stymied its predecessor. It is unclear how much difference a new president will make. Philippine President Gloria Macapagal-Arroyo faces a similar set of challenges in her country.

Indonesia's problems are a special concern. Indonesia has been the anchor of the Association of Southeast Asian Nations (ASEAN) during much of the organization's existence. The prolonged period of instability in the country has deprived ASEAN of one of its key drivers; the prospect of chaos and collapse throughout the archipelago is a genuine security issue for the entire region.

Those problems explain, at least partially, the difficulties that ASEAN and its related organizations have had in recent years. A substantial portion of the Seminar discussions was devoted to the gap between hopes for institutions in the region and their performance. The consensus view was that expectations should be scaled back. It is still early in the regime-creation process in the Asia Pacific region.

Pacific Islands issues were raised at several points during the discussions, both because some of the islands share many of the problems of political fragmentation and instability as in Southeast Asia and because they appear to be uniquely vulnerable to a variety of global challenges ranging from global warming to money laundering. The islands' problems are compounded by the fact that the island countries have little voice in regional, much less global, affairs.

One issue that has dogged the region is the question of the balance between sovereignty and humanitarian intervention. At what point do the individual rights enshrined in the 1948 Universal Declaration of Human Rights override the sovereign rights of states embodied in the United Nations Charter? For ASEAN, the dilemma is especially acute due to the importance attached to the doctrine of noninterference in the affairs of member states that has guided the organization since it was formed. Seminar discussions noted movement away from absolute sovereignty and the principle of complete noninterference, but here, too, practitioners stressed the need for patience. Regional governments must be allowed to move forward at a pace with which they are comfortable.

Participants stressed the importance of a multilayered security architecture for the region, compensating for the failure of regional institutions to meet the high expectations invested in them. The network of bilateral security alliances centered on the United States still undergirds regional security, and a continued U.S. presence is generally considered to be an essential element of Asia Pacific security and stability. Several participants pointed out that one of the real changes over the past decade has been the elimination of doubts about the U.S. commitment to the Asia Pacific region, although somewhat paradoxically some questions are now being raised about the continuing need for a forward-deployed U.S. military presence.

INTRODUCTION

The 2001 Senior Policy Seminar, the third in this annual series, was held at the East-West Center on August 5–8. This year's Seminar focused on several key issue areas in Asia Pacific security—domestic, political, and economic challenges, the Korean peninsula, major power relations, small-arms proliferation, and regional institutions—as well as developments in U.S. regional policies and the implications of trends in the region for U.S. policy.

The Seminar took place a month before the events of September 11, which have significantly altered perceptions of the security environment and dominated public and governmental attention ever since. The problem of terrorism was touched on during the Seminar discussions, but it was not a central theme in the way it would be at any equivalent meeting today. However, the issues on the Seminar agenda remain important and worthy of attention, both in their own right and as factors in the context and background against which the response to September 11 is unfolding.

The participants in the Seminar are listed in the Appendix. They included serving and former senior government officials and academic experts from the United States, Northeast Asia, Southeast Asia, South Asia, Australia, and the South Pacific. The combination of diversity and expertise made possible a lively and informative exchange on the issues covered by the Seminar.

The Senior Policy Seminar series is conducted on a non-attribution basis. That is, the source of any statement or comment made during the discussion may not be identified without obtaining the explicit permission of the speaker. The summary of the Seminar proceedings in Part I of this report adheres to this principle, and no inferences should be drawn connecting any specific statement or viewpoint with particular participants.

Part II of the report provides the text of a public address given by Admiral Dennis C. Blair, Commander-in-Chief of the U.S. Pacific Command (CINCPAC), at a luncheon on the first day of the Seminar. Admiral Blair spoke on developments in regional-security cooperation, surveying the wide range and growing number of collaborative undertakings in the region that are contributing to the long-term development of a "security community" in the Asia Pacific.

Part I: Summary of Discussions

As in previous years, Seminar discussions began and ended with the United States. A Republican now occupies the White House after eight years of a Democratic president. Many of the faces in key positions in the new administration are familiar to Seminar participants, but some concern was expressed about the team's appreciation of the changes that have occurred in the meantime. The most important change is a paradox: while U.S. power is virtually unchallenged, the United States' ability to influence developments has diminished. Reconciling preponderant U.S. power with that limitation will be the primary task of President George W. Bush's foreign policy team. Asian nations can help the United States accept the new reality and work with the administration to realize shared goals.

No single approach can capture the entire range and flavor of this year's discussions. This report begins with a geographic overview that looks at developments in key countries, and includes chief issues, such as ongoing attempts to bring North Korea into the international community and relations across the Taiwan Strait. It then turns to structural concerns: the role and purpose of U.S. power, the rise of China, sources of conflict, and the prospects for multilateralism. Finally, the report concludes with a look at an underlying philosophical issue with which regional governments continue to grapple: balancing the emerging respect for and international protection of the rights of the individual with the prerogatives of national governments in a state-centered political order.

Domestic Dynamics

Any assessment of Asia and the Pacific must begin with the domestic political transformations that are underway throughout the region. Rarely have so many countries simultaneously been experiencing significant political change. For several, the 1997 financial crisis was a catalyst, undermining faith in government competency and precipitating economic and regulatory policy reforms, although the reformist zeal seems to have slackened as the worst of the crisis becomes a memory. The forces that triggered that event, however, have not abated; governments are still dealing with the pressures created by globalization, the information-technology (IT) revolution, increasingly mobile assets, and increasingly porous borders. Even governments that escaped the Asian contagion must accommodate those forces.

Even as Seminar participants insisted on the rich diversity that makes region-wide generalizations difficult, they agreed that most of the region faces a

similar basic challenge—the political management of change. In the words of one speaker, "the chief threat to stability comes from the negative effects of economic weakness, in part produced by globalization and failed modernization."

The United States

The major domestic change in the United States relevant to the interests of the Seminar was the inauguration in January 2001 of a new U.S. administration under George W. Bush. The extraordinary power and influence of the United States is accompanied by continuing anxieties in much of the region about the way this power is being exercised, anxieties that are inevitably exacerbated by a change in administration and uncertainties about the new team's directions. While there was general agreement among Seminar participants that any new administration should review its predecessor's policies, there was concern about the slow pace at which the Bush administration was developing its policies toward the Asia Pacific. In the case of North Korea, some participants worried that the momentum toward improved North-South and Washington-Pyongyang relations in 2000 had been lost and that the blame would be placed on Washington—whether deserved or not.

American participants attributed the delays in policy formulation to the normal processes attendant to a transition in administrations, as well as appointment and confirmation processes that are slow and getting slower. Partisanship has also contributed to the problem. Finally, foreign policy is almost always a low priority during U.S. presidential campaigns. It is therefore unrealistic to expect a new U.S. administration to take office with a well-defined worldview and a general foreign policy, much less toward any particular region.

The Bush team has in addition been bedeviled by unforeseen accidents and some self-inflicted wounds. Accidents have included the sinking off Honolulu of a Japanese student-training vessel by an American nuclear submarine and the collision of an intelligence gathering aircraft with a Chinese jet fighter. These accidents both diverted considerable precious time and attention in the early months and resulted in some tensions with the United States' two most important regional interlocutors—Japan and China. A self-inflicted wound was the unilateral decision to abandon the Kyoto Protocol with little effort to consult and explain before the fact. Moreover, the administration showed little capacity for spinning the news in its favor or coining slogans and catchphrases to make its policies readily understandable. Participants acknowledged that striking a balance between the need to capture the fullness of foreign policy and the limited attention the subject receives from the public is a challenge

to any government. Clearly, the administration of President Bush is still trying to find the right mix.

Nonetheless, for all the uncertainties as to the Bush administration's policies, several American participants noted that there is far more continuity than change in U.S. foreign policy. The United States remains committed to playing a critical role in the Asia Pacific region and will maintain its forward-deployed troop presence. The Bush administration has also made clear its intention to continue and even increase consultation with other countries and to listen to the opinions of its friends and allies as it makes policy concerning this vital region.

U.S. relations with key countries in the region reflect this element of continuity. Japan continues to be the linchpin of U.S. relations in the area. The bilateral security relationship is the foundation of the U.S. military presence in the region. Washington, some participants noted, will work closely with Tokyo to modernize the security relationship and ensure that the obligations and responsibilities of the two governments better reflect their needs and capabilities. The United States has voiced its support for Prime Minister Junichiro Koizumi and acknowledged that progress in his reform agenda will be measured in years, not months. In its tenure, the Clinton administration moved from a policy toward Japan that put primary emphasis on the confrontational dimensions of the economic relationship toward one that emphasized the importance of the U.S.-Japan security relationship. The new administration's policy intensifies this direction.

Despite the perception of a significant change in U.S. policy toward North Korea suggested by President Bush's public remarks during his March summit with South Korean President Kim Dae Jung, continuity also seems to be the dominant force in that relationship as well. The United States continues to support Kim's "Sunshine Policy," engagement with North Korea, and the U.S.-North Korean 1994 Agreed Framework, including its provision of light-water nuclear power reactors. Food aid to the North continues. U.S. participants reiterated Washington's willingness and readiness to enter into dialogue with Pyongyang with no preconditions about place, time, or agenda.

In the case of China, the Bush team had generally been critical during the campaign of the Clinton administration's alleged excessive attention to China. Beijing, it was promised, would not find the new administration as obliging. Nevertheless, in this case as in others, the interests and pressures underlying U.S.-China policy have also worked to induce a significant measure of continuity. These interests include a desire to bring China under the established

international trade regime—in order to increase market access and policy predictability—and a desire to influence Chinese international behavior on a wide range of international issues ranging from North Korea and the Middle East to environmental protection and disease and drug control. The areas of tension, including human-rights issues, have also endured across administrations.

By the time of the Senior Policy Seminar, participants from both China and the United States felt that relations were improving following the tensions occasioned by the aircraft collision incident in April. This was partly due to the underlying structure of interests and partly because both leaders wanted a successful bilateral meeting at the time of the October leaders' meeting of the Asia-Pacific Economic Cooperation (APEC) group in Shanghai and the planned subsequent visit of President Bush to China. Good intentions may not be sufficient to overcome all the challenges the two governments will face, however. Questions about human rights, non-proliferation, and China's military modernization will complicate the bilateral relationship. Over the long term, China's admission to the World Trade Organization (WTO) poses internal structural challenges that may be unprecedented in human history. Some question whether China's leadership as a whole appreciates the magnitude of these changes and is prepared and able to follow through on the commitments entailed.

Taiwan is an equally thorny issue. Despite some confusion created by President Bush's off-the-cuff comments in April about the U.S. commitment to defend the island, U.S. policy has not changed. The United States remains committed to the "one China" policy and will not support Taiwanese independence. It also continues to emphasize dialogue and a peaceful resolution to the problems that divide the governments in Beijing and Taipei. Nonetheless, U.S. participants stressed that the U.S. commitment to a peaceful resolution of the Taiwan issues is probably even stronger than at earlier times because of Taiwan's democratic accomplishments. From this perspective, there is concern about the Chinese military buildup in the mainland across from Taiwan and its implications for the strategic balance. U.S. policymakers remain alert to the possibility of a miscalculation on either side of the Taiwan Strait. Chinese participants, on the other hand, regard U.S. weapons sales to Taiwan as inconsistent with past U.S. pledges and detrimental to China's desire to reunify the country.

Moving further south, U.S. participants reiterated Washington's commitment to the multilateral process that is being led by ASEAN, especially the ASEAN Regional Forum (ARF), that is the region's only intergovernmental security dialogue. At the same time, however, there is frustration with the slow evolution of these regional institutions and their frequently cumbersome operating

procedures. The situation is compounded by the leadership vacuum in ASEAN created by the present instability and internal preoccupations of Indonesia, the largest Southeast Asian nation. Washington will work with other ASEAN nations to help strengthen the government in Jakarta. There was some criticism of previous U.S. policy and the distance that had been put between the United States and the Indonesian military. U.S. human-rights concerns have dominated policy, and there were calls from both Asian and American participants that the time had come to re-engage the military, a key player in Indonesia's domestic politics.

Finally, U.S. ties to Australia remain strong. American participants stressed the importance of an alliance that is frequently overlooked by policymakers in Washington. In particular, the United States will draw on Australian wisdom and insights when it comes to dealing with the problems of the Pacific Islands as well as Australia's strong interest in Indonesia.

Japan

There was overall agreement that Japan faces economic difficulties "unprecedented in scope and dimension." Participants also agreed that Prime Minister Koizumi is sincere in intending to bring about economic reform, but all shared doubts about the likelihood of his success. As the largest Asian economy and a nation that has been in stagnation for over a decade, Japan's inability to find economic traction has had a profound effect on the entire region. Moreover, even if Koizumi is successful in putting Japan on the right track, he himself concedes that there will be no growth for at least one to two years. Asia, and the world, must be ready for a situation in which one of the global economy's key engines continues to misfire.

The prime minister's unprecedented popularity provides some grounds for hope. Popular support could provide the momentum he needs to overcome entrenched resistance to structural reform. His popularity is a double-edged sword, however. One informed participant worried that a failure to reform placed aside the high expectations could render Koizumi "just another politician," and his popularity and his prospects would evaporate. The difficulties are magnified by an ossified political and economic structure.

Some participants speculated that Japan's problems go considerably deeper than economic and political reform. In the words of one, "Japan is churning over questions of political identity and national purpose." The rise of Prime Minister Koizumi is a product of this very phenomenon. In this view, it was unclear, and even doubtful, that a national consensus has been reached on how

the nation should move forward. More fundamentally still, questions about national identity go to the very heart of debates on other policy issues, such as security policy and economic reforms.

One particularly important issue for Japan concerns security policy. In the months before the Seminar, Japan became embroiled in controversies with its neighbors. A junior high school textbook aroused strong resentment in South Korea and China, which see the text as an attempt to whitewash abhorrent Japanese behavior during World War II. Prime Minister Koizumi's commitment to visit the Yasukuni Shrine, where the nation's war dead are enshrined—along with 14 Class A war criminals—aroused further controversy.

Participants noted that both episodes had fueled fears that Japan is experiencing a resurgence of nationalism. When tied to Tokyo's growing willingness to assert its national security interests, some in the region speak of a remilitarized Japan. In this context, the U.S.-Japan alliance takes on additional significance. Some in Asia see countervailing forces at work. On the one hand, the United States is encouraging Japan to expand its security role in the region. On the other hand, they see widening opposition to the U.S. military presence within Japan itself. The worst possible outcome in this case would be a more assertive Japanese government shorn of its foundation within the security alliance.

Such an outcome is clearly a worst-case scenario. Japan seems to have finally embarked on a debate about national security, but the eventual outcome is by no means clear. Commitment to Article 9 of the peace constitution is strong. Many Japanese have their own doubts about the nation's readiness, willingness and ability to play a larger role in regional affairs. Indeed, for many Japanese their government should focus its attention first and foremost on problems at home.

China

China faces a daunting array of challenges. The most significant is the transition to the fourth generation of leadership in the communist era, a process that has already begun and will accelerate in the months ahead. The world knows who many of the key figures in the transition are, and even their likely new roles, but very little about their substantive positions on policy matters. While that may be wise from a domestic political standpoint, it complicates policymaking for other governments.

At the same time, China is embarking on an unprecedented economic transformation. The chief vehicle for this is admission to the WTO, which will

oblige the country to adopt economic policies that promise to be every bit as revolutionary as the Communist Party's coming to power in 1949. Some participants believed that it is not clear whether the Chinese government fully appreciates both the scale of the commitments it is undertaking or the scrutiny this will create. U.S. participants warned that Beijing's adherence to its WTO pledges will be a benchmark by which policymakers in Washington will gauge Chinese behavior.

Chinese participants tried to assuage concerns about the country's commitment to reform. They insisted that the Deng line is unchallenged. However, they anticipated that reform will exact a tremendous price. Income gaps between the rich and the poor, between rural and urban areas, and between coastal and inland provinces widen every day. This widening social inequality, a challenge to the socialist ideology, is a potential source of instability and even small-scale social unrest. Rural development will be critical to China's future.

There is growing concern about the ability of institutions to cope with modernization in China. Tensions between the center and the regions have been triggered by decentralization and increasing autonomy on the part of local governments. It is unclear whether local governments have the capacity to administer efficiently and honestly the vast inflows of foreign direct investment; the much-publicized cases of corruption would suggest they are not. Civil-society organizations have found this fertile territory to mine. Doubts about the ability of local governments provide them space to operate. This also creates tensions between those organizations and local and national governments.

The overlay of these two processes—transition within the leadership and economic transformation—is a potentially explosive combination. The Beijing government has already shown a willingness to use nationalism to buttress its legitimacy as the ideological foundations of its authority erode. This creates particular concern throughout the region that the Taiwan question may once again enter the picture during this period. (See further discussion below under Sources of Conflict.) One Chinese participant saw danger in a congruence of relatively weak leaders and still underdeveloped institutions. China is moving from charismatic leadership to a government led by technocrats. Institutions can provide stability during this transition, but China lacks strong institutions because of its history of reliance on individuals.

One Chinese participant contended that the next five years will be critical for China. "How China links itself to the outside world will be crucial," he explained. "We need international help and understanding," added another.

But for all the anticipated change, Chinese participants saw a competitive multiparty democracy as out of the question. Explained one, "Without the CCP, there would be chaos—no development, no progress, and even civil war."

Still, all Chinese participants consistently stressed China's peaceful intentions. They argued: "China's central task for a long time to come is developing its own economy. A prosperous and more open China will never be a threat to the region."

Taiwan

Taiwan was primarily a focus during Seminar discussions of conflict within the region. The opposition Democratic Progressive Party came to power in 2000 in the first such transfer in Taiwanese history. This historic transition has not been as traumatic as many had anticipated. Nevertheless, governments on both sides of the Taiwan Strait have lessons to learn and unlearn. Many participants felt that neither the government in Beijing nor the DPP government in Taipei understands the other well.

The Korean Peninsula

While there has been no marked deterioration in relations between the two Koreas, the optimism that was triggered by the June 2000 historic summit meeting between South Korean President Kim Dae Jung and North Korean leader Kim Jong Il has largely dissipated. The North Korean leader has not made—nor even scheduled—his long-awaited return visit to the South. There has been no real progress on family reunions, rebuilding rail connections, or the other bilateral initiatives that were launched during the heady summit period. It was noted that enthusiasm for inter-Korea dialogue has cooled in the South.

North Korea blames the new U.S. administration for the lack of progress. When President Bush announced his review of U.S. policy toward North Korea, all talks between the United States and North Korea were suspended. Pyongyang used that opportunity to put all talks with the South on hold as well. The U.S. decision to resume dialogue with the North, and its support for the Sunshine Policy and the 1994 Agreed Framework, have not been sufficient to restore momentum to the stalled dialogue. To its credit, however, North Korea has maintained the moratorium on missile testing.

Domestic political dynamics now seem to be the driving force within South Korea. President Kim is losing popularity and is in the eyes of some already a lame duck. The government is criticized for its pursuit of engagement with the

North despite the seeming lack of reciprocity on the part of Pyongyang. As South Korea heads toward next year's election, relations with the North will become even more politicized.

The question of North Korean intentions remains to be answered, however. Many observers see nothing more than blackmail and extortion at work as the North uses the threat of developing weapons of mass destruction to drag other countries to the negotiating table. Others share the view of one Seminar participant, who noted: "North Korea may feel genuinely insecure and not want to relinquish the leverage of its military capabilities." For these observers, the North Korean regime is looking for security and sustainable survival in the face of what it perceives to be real and significant threats to its existence.

This is an age-old problem. Theorists call it the security dilemma: security for one country creates insecurity in its neighbors. In the North Korean case, security for its neighbors involves doing away with dangerous North Korean activities, but the only reliable guarantee of good behavior is "transformation of North Korea over the long term." However, transformation creates security problems for the North Korean elite for two reasons. The first concerns domestic political incentives. While North Korean policy-making is an obscure process, the military is a key player. Reducing or eliminating the North Korean military threat will mean reducing the military's status within North Korea itself.

The second problem is a fear of losing economic leverage. Economists believe that North Korea no longer faces the prospect of eminent collapse, but at best it will only muddle through. That means the country will depend on aid and assistance from other states for regime survival and feeding its population. The prospect of donor fatigue is real. This is already evident in South Korea, whose generosity is limited by its own economic troubles. Moreover, in the absence of genuine reform, North Korea will only limp along. One participant was explicit: "No amount of outside resources can halt or reverse the catastrophic decline of the North Korean economy without basic changes in the way the country uses resources." On the other hand, reform is also a threat for the highly regulated, isolated North Korean state.

While talks with Seoul have gone nowhere, Pyongyang has redoubled its diplomatic outreach to the rest of the world. It has opened a dialogue with the European Union and begun the process of establishing diplomatic relations with an array of other states. Negotiating with the North poses several difficulties for the rest of the world. Picking priorities is the first assignment. For the United States and the countries in the region, the prime objective is curbing

activities that pose an international threat. That means focusing on its nuclear program and its ballistic missile exports. South Korea's chief concern is inter-Korean dialogue. Thus, it is essential that Washington and Seoul coordinate policy. There was agreement among participants that Seoul should lead, but specialists argued that there need be no conflict if the two dialogues—North-South, U.S.-North Korea—proceed in parallel. Indeed, as several participants pointed out, the South has been pressing the United States to pursue dialogue with the North.

It is notable that both the United States and China share objectives on the Korean peninsula. Both look for a peaceful resolution, one that respects the wishes of both Koreas. Chinese participants stressed that the overall situation on the peninsula is moving toward a relaxation of tensions and emphasized the need for stability in the North to facilitate outreach by Pyongyang. They also counseled patience. Southeast Asian participants concurred, pointing to ASEAN's experience with North Korea: it took four years to get Pyongyang to join the ASEAN Regional Forum.

Attention seems to be focused on the prospect of a return visit by Kim Jong Il to the South. While important, participants commented that this should not be viewed as an end in itself. Arguably, the rail link, family reunions, and economic ties are more important, and an obsession with the delayed visit can overshadow these issues.

Southeast Asia

Economic concerns continue to preoccupy Southeast Asian policymakers. Many of the countries of the region are still feeling the effects of the 1997 crisis. Trade within the region has slowed down and the U.S. slump has deprived Asian economies of a critical export market, exacerbating their own difficulties. Japan's own troubles only compound these woes. International capital is very cautious in returning to Southeast Asia. New investment to Asia has largely come as a result of reform in China as well as liberalization in South Korea and Japan. The competition for capital has been intensified by a greater wariness about reform throughout the region. Finally, the prospects of continued instability and slower growth in countries such as Indonesia and the Philippines pose serious problems for the entire region.

Indonesia is of deep concern. Seminar participants applauded the democratic transition in that country in July, even though they were disappointed with the fate of outgoing President Abdurrahman Wahid. His support for pluralism and tolerance was much needed during a time of political change, but he proved to

be too inconsistent for a nation that needed stability and a steady hand and, by the end, he had very little support.

Despite many doubts, the transfer of power to Megawati Sukarnoputri was basically peaceful. Three essentially peaceful transitions in a row appear to demonstrate the nation's commitment to making democracy work. However, Megawati is still largely an unknown quantity. While she heads the largest party in Indonesia's legislature, she is inexperienced and must rely heavily on her advisers and political confidants. Her first significant action, the selection of a cabinet, however, received widespread approval.

Indonesia continues to face immense challenges. None of the previous three governments have been able to deal with the country's deep economic crisis, and the political class has had difficulty assuming the responsibilities of governing after a long period of authoritarian rule under Suharto. Internal security is deteriorating and secessionist movements seem to be on the rise.

Under these conditions, the Indonesian military (TNI) could again play a critical role. TNI's complicity in the Suharto regime and its record of human-rights abuses have hurt its credibility. To its credit, it has behaved responsibly during the recent transitions, and ignored a last minute call by Abdurrahman Wahid to impose a state of emergency. But TNI continues to exercise considerable influence behind-the-scenes, and if the internal situation continues to deteriorate, its leverage will increase.

Indonesia's problems are problems for the region as a whole. Many observers consider the instability in Indonesia to be one of the major sources of ASEAN's recent decline in effectiveness. Stronger and more outward-looking leadership in Jakarta could help re-energize ASEAN and other regional institutions.

East Timor, the newest member of the Asia Pacific community, was also the subject of some discussion. East Timor's difficult birth provided lessons for the international community in peacekeeping and humanitarian operations. The assessment of the East Timor experience is only now beginning. It is clear, however, that the UN forces will in the future have to be better prepared for such operations and that public affairs and psychological operations will need more attention.

Australia and the South Pacific

The Bush administration's priority on bilateral security relationships assures continuing U.S. attention to its alliance with Australia, celebrating its fiftieth

anniversary in 2001. Regional security developments—what one participant described as "an arc of instability from Sri Lanka to Indonesia and on to Papua New Guinea, the Solomon Islands, and Fiji"—have also increased the importance of Australia's role in regional affairs.

South Pacific participants complained of their feeling of "vulnerability." Seven million South Pacific Islanders are spread across one-third of the Pacific Ocean mass. Traditionally, the islands are pictured as tropical paradises; the truth is more prosaic. In addition to coup attempts and ethnic and communal violence, governments in the region must deal with a range of nonmilitary threats from outside the region. It is an impressive list: money laundering, drug trafficking, organized crime, nuclear waste, and global warming. The latter is an especially pressing concern: Tuvalu has announced the permanent evacuation of its 10,000 residents as its islands are inundated by rising sea levels triggered by global warming. In a luncheon speech to the Seminar, Federated States of Micronesia President Leo Falcam described Tuvalu as "the canary in the coal mine—providing an early warning for the global community of its impending doom."

The Structure of Power in the Asia Pacific

Domestic political developments are important, but they are only part of the region-wide political dynamic. Those problems and processes can also be considered from a broader perspective. The following section explores the structural issues that are shaping political and economic interaction within the region.

U.S. Power

No one challenges the claim that U.S. power is preponderant in the region and throughout the world, although several participants did note that hegemons come and go, and the United States was unlikely to be an exception. American participants noted that, in contrast to earlier periods, there was no longer any question in the United States about its commitment to the Asia Pacific region. Asian participants welcomed that shift, although there were differences of opinion regarding the desirability of the forward-deployed military presence. Questions were asked, however, about the purposes of U.S. power. How would the world's remaining superpower use its political, economic, and military influence?

One U.S. participant expected that in the future, the United States would be more aggressive in the pursuit of its own national interests. During the Cold

War, he explained, the United States had sacrificed some of its economic interests in the name of alliance solidarity. With the end of the Soviet threat, this trade-off no longer applies. However, several U.S. participants cautioned that the Bush administration did not deserve the unilateralist label with which it has been identified. They pointed out that the treaties that the United States had recently dismissed did not enjoy support within the Congress. Well aware of that opposition, President Clinton had not submitted the Kyoto Protocol to the Senate or made a real push for—and expended political capital on—the Comprehensive Test Ban Treaty. In this sense, the Bush administration has only made the obvious explicit.

U.S. behavior illustrates a general paradox that is examined in more depth at the conclusion of this report. On the one hand, Washington zealously protects its own sovereignty. On the other, it regularly intervenes in the domestic affairs of other states. Reconciling these two divergent positions is a problem for the United States and the entire global order.

For Asia, the question is particularly acute. The ongoing U.S. defense review was widely expected to signal a shift in emphasis in U.S. security policy from Europe to the Asia Pacific region. The logic of such a move is plain. There is little chance of conflict breaking out between states on the European continent. If it did, political institutions there—both national and multinational—are mature enough to cope with outbreaks of instability.

The same cannot be said for Asia. Four of the world's six nuclear powers are in the region. The demilitarized zone across the Korean peninsula continues to be the most heavily militarized border in the world, tensions between China and Taiwan are ever present, and India and Pakistan, the world's newest nuclear-weapons states, have made little progress in their bilateral relationship. Indonesia, the world's fourth largest country, is battling instability. China faces an unprecedented economic transformation, and instability there is a possibility. It is small wonder, then, that the United States is focusing more attention on Asia.

What will be the result? Some participants expressed fear that Washington would brook no opposition or dissension from its leadership. In the same breath, however, many also acknowledged that domestic political constraints within the United States brake Washington's more extreme hegemonic impulses. Nevertheless, there is broad agreement that the United States would not countenance any challenge to its global supremacy. There need not be one. As one South Asian participant argued, a multipolar world does not require every pole to be equal in size and strength. A balance of power does not require

equality among the states. The question for foreign-policy practitioners is how U.S. power will be legitimized and institutionalized. In this context, the U.S. alliance network is particularly important.

The Rise of China

China has embarked on an economic transformation that is fraught with uncertainty. Yet China's goals are clear. Economic modernization is designed to propel the country into the ranks of leading nations. This is certain to create tension and perhaps even friction with the United States. Even though the competition between the two countries can be managed, it is unrealistic to expect the two governments to see eye-to-eye on all issues.

Accommodating China's rise and incorporating it into the regional order is the chief structural challenge for policymakers in the twenty-first century. Both Chinese and American participants acknowledged that they are "hoping for the best and preparing for the worst." They also expect relations to contain elements of both competition and cooperation, not one or the other.

From an outside perspective, the key is to create a web of international rights and obligations that induces China to be a good citizen. The problem is that the existing international order has been constructed largely without China's participation. Thus, the rights and responsibilities do not reflect Chinese priorities, and Beijing is understandably reluctant to buy into a system that it had no hand in creating. (This is not a problem for China alone; the entire postwar international order was constructed largely without Asian participation. A recurring theme in the post-Cold War world has been the need to accommodate Asia and give it the place it deserves.)

The task of making room for China is complicated by its domestic transformation. China is focused on internal developments, but it also demands that the international community give it space and status consistent with its size and diversity and also with its perception of where it will be at a later point in its transformation. The resulting difficulties were evident, for example, in the negotiations for accession into the WTO: Beijing sought developing country status in the WTO while demanding major power treatment in other international forums.

There was consensus that bringing China into the international system can only proceed on a foundation of shared interests. That process would create trust and confidence among Beijing and its diplomatic partners and permit more initiatives in the future. For example, it was pointed out that China and

the United States have common (although not identical) interests in the Korean peninsula: both seek a peaceful transformation of North Korea and want relations between the two Koreas to be stable. Thus, the Four-Party talks might be one vehicle for accommodating China's rise and creating a base for future positive interaction.

Globalization

In a sense, China's problems are those that all nations must face—albeit in a more intense form. China's modernization program will subject the country to the same stresses that all nations are now forced to endure as a result of globalization. China is merely a larger country, has been more insulated, and has farther to go. Still, the key question for a regional government—indeed for any government—is whether it can take advantage of the opportunities provided by globalization or whether those same forces will exploit it. It is, in other words, a question of political capacity: the ability of governments to cope with new pressures both from beyond their borders and from below.

This is "a work in progress." There are grounds for optimism, as well as the possibility of reversals. Developments in South Korea worried some participants. Seoul has weathered the worst of the financial crisis. Not surprisingly the ardor for hard-hitting economic reform has cooled. There are growing fears that South Korea may encounter more economic difficulties in the near future. Similar concerns were expressed about Thailand and Taiwan. The Philippines and Indonesia are also troubled, although their problems are more political than economic. In both of those cases, economic reform will be held hostage by political instability.

Information technology poses a special challenge for governments accustomed to exercising a monopoly on or trying to control the flow of information to citizens. Despite their best efforts, information and opinions continue to flow virtually unfettered in cyberspace. Some applaud the democratizing effect of new technologies; others see them as devices that magnify the effects of nationalism and other destructive ideologies. Nonetheless, a modern economy must be open to the world beyond national borders if it is to grow and flourish. Prosperity requires strong and redundant linkages to the international marketplace. Yet those very linkages undermine the ability of national governments to control events within their own borders.

The forces of globalization produce counter effects. As communities are tied more closely to global markets and become subject to the stresses of forces that originate further away, the struggle to create or cling to a distinctive local

identity is intensified. The seeming assault on traditional values creates a sense of vulnerability. Not surprisingly, globalization has been accompanied by a concomitant rise of nationalism as communities struggle to maintain their identity in the face of these challenges to traditional views and values. The resulting stresses contribute to many of the sources of conflict reviewed in the Seminar discussions.

Sources of Conflict

Conflict continues to be a regular element of international relations within the region. The sources of potential conflict have diversified, however. Now, many of the stresses are internal. More wars are intrastate than interstate.

Internal Conflict

More than 90 percent of wars today occur within states. Security is now more about protecting communities within a country rather than the borders that define states. Most conflicts entail attacks by paramilitary and irregular forces on unarmed civilians to pillage, intimidate, or engage in ethnic slaughter. Terrorism is a favored tactic for both extremist groups and the governments that fight them. In these conflicts there is little respect for the law of war or international humanitarian law.

The weapons of choice in these conflicts are small arms that are easily portable and easy to use. They are readily available on black markets or are easy to build. In Indonesia, for example, separatist/ethnic violence has yielded thousands of civilian casualties and more than a million people have been forced to leave their homes. Most of the fatalities were caused by small arms, machetes, bows and arrows, or homemade arms. According to the International Committee of the Red Cross (ICRC), assault rifles and other small arms are responsible for about three-quarters of all civilian casualties in conflicts. The International Institute of Strategic Studies (IISS) estimates that 100,000 people died in 2000 at the point of a pistol, knife, or machete. This situation is expected to become worse as technology tilts the balance of power away from the state and puts ever greater lethality in the hands of the individual.

These conflicts pose particular challenges for the international community. They fall outside the purview of traditional security structures since internal violence has usually been a domestic concern. The weapons used are cheap, mobile, and hard to trace. Most disarmament initiatives have focused on larger, more visible threats.

New solutions are needed to deal with these "weapons of micro destruction." Internal conflicts are of international concern when they create refugees or instability that spills over national borders. Trade in small arms is big business. According to one estimate, small-arms exports total about $4 billion to $5 billion each year.

There have been regional initiatives to attempt to control the proliferation of small arms. The Organization of American States (OAS), the Organization of African Unity (OAU), and the European Union (EU) have all adopted measures to control the growing trade in small arms. The global market undermines regional and national initiatives, however. The UN recently convened the International Conference on the Illicit Trade in Small Arms and Light Weapons in all its Aspects. It was noted, however, that Washington refuses to endorse any measures that call for restrictions on an individual's right to bear arms—a provision of the Constitution—or to accept limits on the right to transfer arms to groups fighting repressive governments.

Seminar participants agreed on the need to create a global regime that would limit the proliferation of such weapons, but the discussion tended to focus on the causes of conflict. For many, it is basically a question of supply and demand. Eliminate the need for such weapons and the proliferation problem will vanish. One participant asked: "Are arms a symptom of insecurity or a cause of insecurity?" A Southeast Asian expressed the same sentiment in a slightly different fashion: "The problem is not the proliferation of arms, but the problems associated with political change in Southeast Asia. Where governments and military forces are effective, then it is not a problem."

Yet even if the problem has systemic roots, there is still a need to control the trade in such weapons. Virtually all participants condemned U.S. opposition to the UN convention and expressed dismay at Washington's unwillingness to lead on this issue. One participant suggested reframing the question: "The aim is not to ban small arms, but to address the elements of the international arms trafficking equation that involve the flow of arms to internal actors in areas of instability."

Traditional Flash Points

Since the end of the Cold War, there has been considerable discussion of the new threats to regional peace and security. These new security issues are a growth industry for academics and policymakers. But old concerns have not evaporated.

Taiwan While all participants noted the improvement in relations between the United States and China, Taiwan continues to be a flash point. A Chinese participant explained: "Taiwan is and will remain the main issue between the U.S. and China." A U.S. participant was even more explicit: "The one issue in the world where the United States could get into a major power war is over Taiwan…. As long as Taiwan exists, there will be tension between the long-term understanding with China and the need to be responsible," i.e., the need for the U.S. president to have military options in the case of a contingency in the Taiwan Strait. Moreover, as another U.S. participant pointed out, the fact that no one wants conflict does not mean that there is zero possibility of conflict.

The two governments' positions are not irreconcilable. Chinese participants stressed the significance of Taiwan in the hearts and minds of the Chinese people and warned that there would be no toleration for Taiwanese independence. U.S. participants noted that U.S. policy has not changed: the United States still endorses the "one-China" policy and will not encourage Taiwanese independence. At the same time, U.S. speakers pointed out that every American president, no matter what the party affiliation, will demand respect for the wishes of the Taiwanese people. While that may sound like a formula for conflict, it also describes the status quo. As one participant explained, the "red lines" have not changed. Several speakers suggested that the impending admission of both China and Taiwan to the WTO would create a new political dynamic and help ameliorate some of the tensions.

There was agreement that the Taiwan question will not be resolved in the near future, although a Chinese participant did note that some constituencies, particularly the People's Liberation Army, are pushing for action. For some, this is fundamentally a positive development: there's no pressure for a hasty solution. For others, it means that the Taiwan question will be with us for some time.

Southeast Asian participants expressed concern over being drawn into the dispute between Beijing and Washington. For them, Taiwan is a potential entanglement and they do not want to be forced to take sides. One explained: "The coalition of forces developing in the last half year shows that the Cold War is not yet over in the Asia Pacific."

The Korean Peninsula While the North-South dialogue has stalled and North Korea blames Washington for the breakdown in their talks, there is little concern about a deterioration of the military situation on the Korean peninsula. There was overall agreement that the peninsula is moving—however

sporadically—toward relaxation. U.S. negotiating priorities—the nuclear program and ballistic missile exports—suggest that the balance of power on the peninsula is stable. As one U.S. participant explained: "The conventional force balance has been contained for 50 years and the United States has therefore decided to concentrate on issues that seemed most destabilizing."

Multilateralism

Discussions of Asia's multilateral security institutions usually begin by contrasting the region's experience with that of Europe, home of the North Atlantic Treaty Organization (NATO) and the Organization for Security Cooperation in Europe. This year's Seminar was no exception. In the Asia Pacific region, institution building is still "at an embryonic stage." There are a number of explanations: no historical bond links the nations and peoples of the region; the major powers have found no common ground for real and effective cooperation; there has been a propensity to undercut and undermine each other; and mutual suspicion characterizes their relations. Sovereignty still tops Asian governments' list of concerns. Respect for the principle of non-interference in the domestic affairs of nations has led to a decision-making process that is both slow and frustrating for other governments. One Asian participant took a literary perspective: "Contrary to what John Donne wrote, in Asia 'every man is an island, entire of itself.'"

It is important not to exaggerate, however. Regional organizations have taken root: a cursory count yields ASEAN, the ASEAN Regional Forum (ARF), the ASEAN Post-Ministerial Conference (ASEAN PMC), the Korean Peninsula Energy Development Organization (KEDO), and the new Shanghai Cooperation Organization, to name but the most prominent. Seminar participants applauded ASEAN's progress and noted its gradual movement away from strict non-interference in the domestic affairs of member nations. The ARF has its own successes. It has moved from confidence-building measures and is now gingerly embracing the concept of preventive diplomacy. There, too, the principle of non-interference is gradually eroding.

Some claim the Asian regional organizations have suffered because of their success. ASEAN's difficulties are partly a result of having expanded too quickly to embrace all 10 Southeast Asian nations. The ASEAN PMC is now searching for a purpose because it spun off security issues to the ARF. Southeast Asian officials said that a stock-taking is already in progress. Another participant called for a systematic review of the ARF process and the Asia Pacific security architecture in time for the ARF's tenth anniversary in 2003.

A genuine multinational security architecture requires shared threat perceptions among member states and the recognition of the need to act in concert on both the diplomatic and the military fronts. While the region's rich diversity makes it difficult to identify a common set of interests among all member states, progress is being made. Admiral Dennis Blair, Commander-in-Chief of the U.S. Pacific Command, identified promising developments in an upbeat on-the-record luncheon speech during the Seminar. (The text is provided in Part II of this report.)

Admiral Blair noted that a regional consciousness, though nascent, is being shaped. The chief emerging threats to national security—insurgency and communal violence—are being discovered to be closely linked to transnational terrorism, drug trafficking, piracy, and other criminal activities. Because these are transnational threats, no nation can hope to handle them alone. Thus, he remarked: "Regional cooperation is a vital component of the durable security structure."

There is already one example of such cooperation: the UN peacekeeping operation in East Timor. Admiral Blair also detailed some of the steady progress in regional approaches to security cooperation in the region. Military officials are meeting at all levels, Internet-based communications networks have been developed, and multinational exercises are being held across the region. As a result, Admiral Blair said: "With cooperation from the nations of the region, initiatives to enhance regional cooperation have grown over the past year from a set of concepts to a substantial approach promoting security and peaceful development."

Other participants argued that the Asia Pacific region does not need a new regional security architecture; rather it needs a new concept of security. Chinese participants agreed that security interdependence has increased, but argued that this meant that there could be no unilateral security.

The U.S.-proposed missile defense question is tied to U.S. alliance networks in the Asia Pacific region. Even without the issue of missile defense, however, the question is asked whether the U.S. alliances are security enhancing. U.S. participants and many Asians argued that U.S. presence—in particular the forward-deployed troop presence—is an essential element of regional stability. Even Chinese participants said that they were happy to have U.S. participation in the search for a regional security mechanism and acknowledged that the existence of the U.S. alliances is a historical legacy of the Cold War. Their continued existence is most likely inevitable, but there is concern over their future evolution. In specific terms, Chinese participants worried that the

U.S.-Japan alliance might somehow bring about the potential remilitarization of Japan. More generally, Chinese speakers argued that a guiding principle of any new security concept should be that alliances not target any third country.

The fear was also expressed that the U.S. bilateral relationships will impede the progress of multilateral initiatives. However, U.S. expressions of disappointment at the pace of multilateral initiatives would suggest that Washington is not an obstacle per se. Admiral Blair argued: “U.S. bilateral relations form the foundation for enhanced regional cooperation.”

Thus, there was general agreement at the Seminar that the defining feature of the current Asia Pacific security architecture is a multilayered structure. It is a rich weave: there are bilateral and multilateral initiatives, regional and subregional mechanisms and programs, and functional as well as geographically defined organizations. The multileveled structure is important, since as one Asian participant pointed out, the regional dialogue processes facilitate confidence building, but they do not provide security.

There is a danger, however. None of the institutions are comprehensive, and there is some overlap in participants, objectives, and focus. There is great potential for duplication or worse—allowing critical issues to fall through the cracks between the various dialogues. Still, there was agreement that, however convoluted and sometimes confusing, this structure works. As an Asia participant explained: “It is OK to have multiple communities—communities within communities. The key is that there be connections between them.”

Ultimately, the fundamental question is a philosophical one: how is the international system to be organized? The traditional answer is the Westphalian state-centered model, which provides the basis for the United Nations Charter. This is a workable model for an anarchic environment, and one that is well suited to a post-ideological era. At a time of sometimes wrenching domestic transformation, state sovereignty, which can serve as a veil to inhibit foreign scrutiny of state action, is a lifeline for existing regimes. No government wants to accept limits on its freedom of action when it feels threatened by domestic social, political, and economic forces. Thus it is hardly surprising that China and India, two large multicultural, multiethnic states in the midst of profound internal change, demand complete respect for the prerogatives of the national government. Smaller states, too, see the inviolability of national borders as a way of safeguarding their own interests when dealing with stronger states.

The end of the Cold War brought into question many of the assumptions about state behavior, and empowered movements calling for respect for

individual rights as laid out in the UN's Universal Declaration of Human Rights. The individual-based rights identified in that document and others suggest that there are limits on a government's freedom to act, and that intervention in the domestic affairs of states is not only possible, but is legitimate—and even necessary—in certain circumstances. Some governments and the growing community of nongovernmental organizations (NGOs) use these documents to support intervention in the domestic affairs of states. Liberal norms are on the rise, and that process is being accelerated by globalization, which erodes state power while empowering the individual.

The tension between respect for sovereignty and the ability of the international community to protect universal rights is not irreconcilable. The question is simply when intervention can be justified and by what standards. Seminar participants recognized that reaching a satisfactory conclusion at a time of accelerating change is not easy. Frustrations will mount as government power erodes in the face of anonymous economic and social forces. Patience and tolerance will become even more critical during this period. For a guiding principle, one participant suggested we look to Talleyrand, who wrote: "Suppress zeal and do no harm."

Part II: Presentation

Developments in Regional Security Cooperation

by Admiral Dennis C. Blair

It is a pleasure to be here with you today. Again, Charles Morrison has assembled a distinguished group to address important topics affecting security and prosperity in the Asia Pacific region. We in the Pacific Command have benefited from these discussions in recent years and use your ideas and insights.

Several of you were at last year's Seminar when I spoke of the role of armed forces in enhancing regional security. At the heart of my remarks were three assertions:

- First, that genuine security within the region will come only when nations share dependable expectations of peaceful change, and act in concert to address common challenges.

- Second, that armed forces, in conjunction with diplomatic efforts, should cooperate to pursue regional security.

- Third, that the forward-deployed armed forces of the United States should play a key role in developing a new genuine security structure in Asia.

Today, I would like to bring you up to date on progress we in the armed forces have made in turning these concepts into actions. Over the past year, I see progress. It is modest, but it will be durable, since it is occurring quietly at a systemic level.

We in the Pacific Command have been working to make our training and interactions with our allies and security partners more realistic. The surest way to promote regional security and peaceful development is to move away from the symbolic scenarios and exercises of the Cold War, and focus upon realistic current tasks that we should be prepared to execute, in the way that we would execute them.

The principal missions of armed forces remain defending their own territory, maintaining national sovereignty, and internal security. Competent military forces capable of defending their territory limit the temptations of others to resolve disputes by force, and provide incentives for diplomatic solutions. So,

in my discussions with regional leaders, during exercises, and in setting U.S. security assistance priorities, I encourage the development of competent, professional armed forces.

The armed forces of many nations in the region deal with internal insurgencies. Here, I see a trend of growing awareness that force alone is insufficient to quell insurgency—without political accommodation and local economic development. There is an increasing realization that heavy-handed military tactics against insurgencies not only create international censure, but are counterproductive—they build support for insurgents, and undermine trust in the efficiency and skill of armed forces.

Over recent decades, the role of coercion in governance has faded. Power has shifted from military to political authorities. Military forces play a smaller role in politics, and have transferred many internal and border security tasks to police forces. When I think back 20 years to the roles of generals in the Republic of Korea, Taiwan, Thailand, and other nations, the trend is striking. I also see a trend toward smaller armed forces that are better paid, better equipped, and better led by professional non-commissioned officers. Armed forces that must provide their own support through commercial activities are less responsive to government authority, and more susceptible to corruption within the ranks. So, I support efforts to fund armed forces properly, and train them well in their profession, as a matter that enhances regional security and prosperity.

The nations of Asia are realizing increasingly that territorial defense and internal security are the core—but not the whole—of the security responsibilities of their armed forces. They increasingly realize that regional cooperation is a vital component of a durable security structure.

In many cases, insurgency and communal violence are closely tied to transnational terrorism, drug trafficking, piracy, and other criminal activities. No nation can deal with these transnational challenges alone. If nations choose to harm each other, insurgencies and transnational challenges can become an arena to expand military rivalries, rather than to offer the opportunities to enhance regional security cooperation that they should be.

The nations of the Asia Pacific region are also all members of the United Nations. As such, we have responsibilities for supporting UN operations, particularly as they directly affect our national interests. Many Asia Pacific nations have long and proud traditions of providing UN peacekeeping forces.

In my view, no framework for security in the Asia Pacific region will be complete without unprecedented cooperation among regional armed forces. The armed forces of each nation must provide for their nation's defense. However, they also must be able to work side-by-side in a variety of operations, from providing humanitarian assistance and disaster relief, to supporting UN peace operations. Initiatives to enhance cooperation among the armed forces of the Asia Pacific region are gaining momentum.

The most dramatic instance of multilateral military cooperation has been the sustained and successful UN peacekeeping operation in East Timor. However, behind the headlines, there has also been steady progress in regional approaches to security cooperation. Let me summarize the most important of those activities. For the past three years, the Pacific Command has hosted a conference for the Chiefs of Defense from around the region.

Skeptics about the possibilities of cooperation among the armed forces of the region should hear the story of this conference, attended by the Chiefs from about 18 nations each year.

■ When we began, there was concern that the Chiefs would be reluctant to talk openly with each other. So the first year, the format of the conference involved invited speakers presenting topics of general interest, with little time for discussion.

■ The second year, we cut back on the speakers. Given the opportunity to discuss issues among themselves, the Chiefs did not have time to hear all of the scheduled presentations.

■ Last year, we adopted a format with no outside speakers. Each Chief presented an overview of his security challenges, and several Chiefs made presentations on functional topics, such as multilateral exercises, personnel policies, countering terrorism and insurgency, piracy, and drug trafficking. One Chief, a veteran of similar NATO conferences of Chiefs of Defense, told me that the Asia CHODs Conference was more substantive and more honest. The major conclusion of the assembled Chiefs was that each had more missions to address than their budgets would support, and that by developing dependable ways to work together, we all would benefit.

■ Although I do not have good statistics, I believe international attendance at military schools and colleges is increasing. I gave a lecture last week at the Australian Defence College, where international enrollment is 25 percent in the junior course and 50 percent in the senior course.

The Asia-Pacific Center for Security Studies (APCSS) here in Honolulu was started in 1995. It brings together military officers from around the region at the colonel/brigadier level, and government officials of equivalent grades, for a 12-week course to study regional challenges. There are now 650 graduates of APCSS courses. When I talk to them back in their home countries, they tell me that they are still in touch with one another by e-mail after they graduate, and that they retain a regional focus. I believe they will make a difference.

Last year, I mentioned the Asia Pacific Area Network (APAN). APAN provides non-secure, Internet-based communications, and the ability for the armed forces of the region and civilian organizations that participate in complex contingencies—to share sensitive, but unclassified, information. As with many Web applications, we find the number of users growing rapidly. We now have over 3,000 users from 56 countries.

On it, we have begun Web-based collaboration by posting standard procedures that all nations can use for combined operations. These Web pages allow anyone to suggest improvements. Like many things on the Web, no government signs up to use these procedures, but they are available for those who need them.

Procedures are of little use if staff officers are not trained to use them. One of the real regional shortcomings exposed by the East Timor operations was international staff skills. Therefore, we also have initiated Multinational Planning Augmentation Team (MPAT) workshops, to refine procedures and train staff officers from around the region—as a cadre of Asia Pacific military planners, ready to reinforce a multinational force headquarters. We build on lessons learned in East Timor, and other peacekeeping operations, to improve the region's capability to conduct combined operations.

In November of last year, the Philippines hosted an MPAT Staff Planning workshop attended by 18 nations, non-governmental organizations (NGOs), and UN representatives. Twenty nations attended the workshop in Bangkok in March, and 24 nations sent officers to the workshop that we just conducted here in Hawaii. Many armed forces in the region want to improve their abilities to work together, and use APAN to continue their MPAT dialogue between workshops.

The SAGIP event in the Philippines, named for the Tagalog word for "save" or "rescue," is also rapidly becoming a premier multilateral humanitarian assistance and disaster relief event. Two years ago, SAGIP was a trilateral seminar game involving only the Philippines, Australia, and the United States. Last

year, attendance expanded to 17 nations. Plans are to build the seminar into a command post exercise, and perhaps a field training exercise.

In addition to agreed procedures, a means to communicate, and staff planning skills, we need good old-fashioned practice here in the Asia Pacific region. In May, we held the first TEAM CHALLENGE exercises. TEAM CHALLENGE linked the bilateral exercises COBRA GOLD in Thailand, BALIKATAN in the Philippines, and TANDEM THRUST in Australia. It involved both command post exercises and field exercises, on the skills needed to conduct multilateral operations across a spectrum of missions—from humanitarian assistance to UN peace enforcement. Singapore provided forces to participate in the COBRA GOLD phase in Thailand, and several other nations, including Indonesia, Japan, Malaysia, Mongolia, the Philippines, Sri Lanka, and France, sent teams of observers. China and Vietnam were invited, but chose not to come. My expectation is that in future years, TEAM CHALLENGE will become the premier regional exercise for these kinds of multilateral operations.

With cooperation from the nations of the region, initiatives to enhance regional cooperation have grown over the past year—from a set of concepts to a substantial approach for promoting security and peaceful development.

The reactions to the U.S. Pacific Command's emphasis on multilateral approaches have been generally positive. While some friends and allies have expressed concern that multinational efforts will dilute the quality of our bilateral relations, in fact, our bilateral relations form the foundation for enhanced regional cooperation. The TEAM CHALLENGE planning efforts have demonstrated that it is possible to meet our bilateral training objectives, and even exceed them, with skills required for coalition operations.

Some have expressed other concerns that multilateral approaches are intended to cover a reduced American involvement in the region. Quite the contrary! By improving our capabilities to work together, we form a web of relations among the nations of this critical region to address the broad range of security challenges that none can solve alone.

Finally, some nations fear that this is all a scheme for excluding and containing China. On the contrary, it can increase China's involvement in the region in constructive ways. We welcome China's 15 police officers in the CIVPOL contingent to East Timor. We would gladly welcome greater Chinese involvement in peacekeeping, such as they provided in Cambodia in 1992–93. Enhanced regional cooperation is an inclusive, not an exclusive, activity.

This is a dynamic region. The security requirements out here have changed in the last decade, and so should the manner in which we approach regional security. We must manage the regional points of friction, such as Korea, Taiwan Strait, Kashmir, and smaller territorial disputes. We should not allow these holdovers of past conflicts to dominate our security agenda.

The security concerns of the twenty-first century call for states to concentrate upon shared interests in peaceful development, and actively promote diplomacy and negotiation to resolve disagreements. Many developments in the region are moving in the right direction.

■ Australia, the Philippines, Thailand, and probably, the Republic of Korea, have provided commanders for the security forces in East Timor.

■ Many other nations in the region provided forces for operations there, and routinely provide forces to UN operations around the globe.

■ Several nations in the region have centers for peacekeeping.

■ On a recent visit to Bangladesh, I talked with several impressive officers who are building a new regional peacekeeping center. Part of our conversation was astounding. Several of them had served as international military observers in Georgia, monitoring Russian peacekeepers there.

Things are changing in the military environment.

■ Pacific Command has significant programs assisting the Philippines in countering terrorism, and Thailand in countering narcotics.

■ Malaysia and the Philippines are working together to stop kidnapping and piracy on their borders.

■ The Shanghai Forum—China, Russia, and Central Asian nations—is working together to counter terrorism and narcotics trafficking.

■ India and Japan are working with Southeast Asian nations to counter the growing piracy in that region.

■ Singapore recently hosted multilateral submarine rescue and maritime mine-clearing exercises involving many regional forces.

These security challenges—where we share interests—are also those most likely to involve our armed forces in operations over the coming decades.

Some of the multilateral activities in the Pacific involve major powers jostling for advantage. Certainly, recent crises between my country and China over the EP-3, and the cessation in military contact between Korea and Japan over text-books, have set cooperation back. But, the search for new approaches to regional security also continues strongly.

By working together, we improve the readiness of regional forces to be effective in multilateral operations, while developing habits of cooperation and a shared sense of responsibility for regional security. The trust and confidence resulting from habits of cooperation contributes directly to developing dependable expectations of peaceful change.

Over 40 years ago, Karl Deutsch used the term "security communities" to describe nations that share dependable expectations of peaceful change. I firmly believe that enhanced regional cooperation, over time, can lead to the development of security communities in the Asia Pacific region.

APPENDIX

Seminar Participants

Dr. Zakaria AHMAD
Tun Abdul Razak Chair in Southeast Asian Studies
Center for International Studies
Ohio University

Dr. Muthiah ALAGAPPA
Director, Washington D.C. Office
East-West Center

Mr. Richard W. BAKER
Adjunct Senior Fellow
East-West Center

U.S. Congressman Douglas K. BEREUTER
U.S. House of Representatives

Admiral Dennis C. BLAIR, USN
Commander-in-Chief
United States Pacific Command

Ambassador Stephen W. BOSWORTH
Dean
Fletcher School of Law and Diplomacy
Tufts University

His Excellency Leo A. FALCAM
President
Federated States of Micronesia

Mr. GU Ziping
Deputy Director-General
Department of Arms Control and Disarmament
Ministry of Foreign Affairs
China

Dr. HAN Sung-Joo
Director
Ilmin International Relations Institute
Korea University

Dr. Hsin-Huang Michael HSIAO
Director
Program for Southeast Asian Area Studies
Academia Sinica

Dr. JIA Qingguo
Professor and Associate Dean
School of International Studies
Beijing University

The Honorable Sir John KAPUTIN, KBE, CMG, MP
Special Envoy for International Financial Institutions
Papua New Guinea National Parliament

The Honorable James A. KELLY
Assistant Secretary for East Asian and Pacific Affairs
U.S. Department of State

Prof. Michael T. KLARE
Director
Five College Program in Peace and World Security Studies
Hampshire College

Ambassador LE Van Bang
Assistant Minister for Foreign Affairs
Ministry of Foreign Affairs
Vietnam

Dr. Kenneth G. LIEBERTHAL
Professor of Political Science and William Davidson Professor of Business Administration
University of Michigan

Pehin Dato LIM Jock Seng
Permanent Secretary
Ministry of Foreign Affairs
Brunei

Dr. MOON Chung-In
Dean
Graduate School of International Studies
Yonsei University

Dr. Charles E. MORRISON
President
East-West Center

His Excellency Dr. Surin PITSUWAN
Party List Member of Parliament
Democrat Party
Bangkok

Mr. Alan D. ROMBERG
Senior Associate
The Henry L. Stimson Center

Ambassador Charles B. SALMON, Jr.
Foreign Policy Adviser and Distinguished Professor
Asia Pacific Center for Security Studies

Mr. Krishnamurthi SANTHANAM
Consultant to the Defence Minister
Ministry of Defence
India

Ambassador Yukio SATOH
Permanent Representative of Japan to the United Nations

Ambassador SHI Chunlai
Senior Adviser
China Institute of International Studies
Secretary General, China National Committee
Council for Security Cooperation in the Asia Pacific

Mr. H. C. STACKPOLE
President
Asia Pacific Center for Security Studies

Mr. Krishnaswami SUBRAHMANYAM
Convenor, India National Security Board
Consulting Editor, The Times of India

Major General Jat SUDRAJAT
Director General for Defence
Department of Defence
Indonesia

Mr. Hugh J. WHITE
Deputy Secretary of Defence
Australian Department of Defence

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The East-West Center Senior Policy Seminars bring together senior security officials and analysts from countries of the Asia Pacific region for nonofficial, frank, and non-attribution discussions of regional security issues. In keeping with the institutional objective of the East-West Center, the series is intended to promote mutual understanding and to explore possibilities for improving the problem-solving capabilities and mechanisms in the emerging Asia Pacific community.

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