

Joint U.S.-Korea Academic Studies

**NAVIGATING
TURBULENCE**

IN NORTHEAST ASIA:

**THE FUTURE OF THE
U.S.-ROK ALLIANCE**



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**FUTURE DIRECTIONS FOR NORTHEAST ASIAN REGIONALISM:
NEW SECURITY AND TRADE ARCHITECTURES
(. . .WITH AN EMPHASIS ON SECURITY)**

James L. Schoff

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I. Introduction

There is certainly a place for regionalism in Northeast Asia.¹ It already exists in various amorphous ways, but regional identity is relatively weak in Northeast Asia, and for this and other reasons little structure has emerged to channel diplomatic or economic activity in the area. In Northeast Asia there is no regional trade pact like the North American Free Trade Agreement, no forum for diplomatic and economic dialogue or policy coordination such as the Association of Southeast Asian Nations (ASEAN), no movement for regional unity like the League of Arab States or the African Union, nor any other broad-based forum or organization such as the South American Regional Union, the Organization for Security and Cooperation in Europe, the European Union (EU), or the Shanghai Cooperation Organization. This is true despite the fact that Northeast Asia is one of the world's most economically vibrant regions with high levels of intraregional trade. It also stands at the forefront of global efforts to combat nuclear and missile proliferation and other forms of illicit trade. Such circumstances have led nations in other parts of the world to join with neighbors to create rules, norms, and institutions for promoting mutual benefit or guarding against dangerous threats. Why have they not done so in Northeast Asia, and what does this suggest for the region's future?

One can offer a variety of theories to explain why Northeast Asia is “under-institutionalized,” the two most basic of which are that such a move is either (a) unnecessary or (b) too difficult. It could be unnecessary because global, broader regional, and smaller multilateral (even bilateral) institutions and agreements are usually sufficient to address Northeast Asia's needs, whether it is the United Nations, the World Trade Organization, the ASEAN Regional Forum (ARF), or the bilateral security alliances of the United States with Japan and South Korea (Republic of Korea or ROK).² The region has been relatively stable and prosperous for decades, and, although it faces some intractable security and territorial disputes, they have not hampered regional growth overall. It is highly doubtful anyway that a Northeast Asia-specific solution can somehow address these issues more effectively than other possible approaches (for example, bilateral or through international arbitration).

1 In this paper, “regionalism” refers to the formation of interstate norms, rules, associations, or institutions based on geographic regions and aimed at addressing issues of common concern within the region for mutual benefit, or at strengthening the region's voice in wider regional or global organizations.

2 In this case, the region could be said to be subordinated to the trends in wider regional or global systems (Yamamoto 2008, 27).

It is true that historical animosities and distrust run deep through many of these nations, and trend analysis of public opinion polls during the past few decades shows how tenuous and event-dependent warmer intraregional relations have been.³ Simmering disputes over islands, borders, ocean rights, history textbooks, and other issues quickly overwhelm regional cooperation initiatives and make them politically expensive when disputes rise to the surface. Moreover, these disputes involve all of the major players in Northeast Asia in different combinations, including the ROK-Japan territorial disagreement about Dokdo/Takeshima, the Japan-China argument about Senkaku/Daiyoutai islands, or the Koguryo controversy involving China and South Korea. In this sense, meaningful institution building in Northeast Asia might simply be too hard to accomplish. Nationalism supersedes regionalism, and there is no lingua franca that helps to bind the region together.⁴

An unsatisfying (but probably accurate) answer to the question above is that the lack of robust Northeast Asian regionalism is the result of both (a) and (b). Regional institutions are often not necessary to maintain stability and prosperity, and when they might be considered marginally useful, the barriers to their creation are formidable and largely prohibitive. In many respects, the fault line along which cooperation and division coexist is Korea's Demilitarized Zone and the ROK-North Korea border (Democratic People's Republic of Korea or DPRK). Cooperation has been necessary to address certain problems related to the North, but the divided peninsula is also a major reason why the region has trouble moving beyond the Pacific War, the Korean War, and the Cold War. On almost every security, economic, or political issue, a comprehensive regional response is practically impossible without North Korea's involvement, and it does not seem feasible with North Korea, either.

The future of Northeast Asian regionalism must acknowledge this paradox and make minor advances despite its retarding effects. The best way to do this is to take advantage of existing mechanisms (bilateral, minilateral, regional, and global) and use them to promote standardization and dispute resolution within Northeast Asia, as well as to consolidate and strengthen Northeast Asia's voice in regional and global institutions. Two regional constructs are critical to making this work: the budding trilateralism among China, Japan, and South Korea, and the six-party talks (with or without North Korea's active participation). Together they can build around (and upon) the U.S. bilateral alliances with

3 For a Japan-specific example based on Japan's Cabinet Office public opinion surveys, see Schoff (2009, 42-43).

4 English or another language in common is not used for business and government communication in Northeast Asia to the same extent that it is in Southeast Asia. As an example, the ASEAN charter of 2007 exists in one official and original language, English.

South Korea and Japan. With the right leadership and sufficient commitment from the countries involved, the Northeast Asian region can build a more solid foundation for its future prosperity and stability. The nascent regionalism evident in Northeast Asia could be a useful tool in the future for mitigating potential negative effects of changes in the regional balance of power and any growing rivalry and competition.

II. Understanding Regionalism in Northeast Asia

Before we can discuss regionalism in Northeast Asia, it is important to describe how we define the region in specific terms. This is actually difficult to do without stimulating an argument about which countries should (or should not) be included. Part of the problem stems from the fact that two countries clearly within the region (Russia and China) are among the largest in the world and are physically present in other global regions (and participate in other regional institutions). Only three countries (Japan, South Korea, and North Korea) exist solely within Northeast Asia. Moreover, because of its formal security and political agreements, forward-deployed forces, and strong trade and investment ties, the United States is considered by most to be an integral part of the region, even if a map suggests otherwise. The divided Korean peninsula and the enduring sovereignty dispute between China and Taiwan only compound the challenge of defining the region, and Northeast Asia's early experiments with institution building have not clarified the issue.

One way to define Northeast Asia geographically is to include those countries bordering the East Sea/Sea of Japan or the East China Sea, namely China, Japan, Russia, South Korea, North Korea, and Taiwan. Most organizations tend to exclude Taiwan, however, although they often include Mongolia. The Northeast Asia Economic Forum, for example, includes Mongolia and the United States, while the Economic Research Institute for Northeast Asia also includes Mongolia (but not the United States). These associations are open to North Korean participation, but Pyongyang's attendance and contributions are sporadic and largely inconsequential. The Northeast Asian Gas and Pipeline Forum involves only China, Russia, Mongolia, Japan, and South Korea. The North Pacific Coast Guard Forum does not include North Korea or Mongolia, but Canada participates. It is interesting that the Association for Asian Studies (AAS) in the United States has a Northeast Asia Council that does not include China (which has a separate council with "inner Asia"), and the AAS apparently does not consider Russian studies to be a part of its Asian portfolio. Beijing puts Russia in the Europe category for its trade and related record keeping. These are all anecdotal examples drawn from a small pool of attempts at building regionally

focused organizations, but they illustrate the fluidity of a regional construct from a geographical perspective, depending on the topic and the politics.

Another way to look at the region is from a trade and economic perspective, focused on transactions. In this regard, the scale and interconnectedness of economic activity are remarkable, particularly among the core Northeast Asian states of China, Japan, and South Korea, as well as with the United States. The United States, Japan, and China are the three largest economies in the world, and they are all among each other’s largest trading partners (*Table 1*).⁵ Together they account for more than 38 percent of world GDP, and adding Russia and South Korea raises that share to almost 43 percent. China, Japan, and Korea are all among each other’s top three trading partners. This is de facto regionalism, even if it is not institutionalized.

Table 1: Top Trading Partners of Selected Countries, 2008

Country	No. 1 trading partner	No. 2 trading partner	No. 3 trading partner
China	United States	Japan	Republic of Korea
Japan	China	United States	Republic of Korea
Republic of Korea	China	Japan	United States
Russia	Germany	China	Netherlands
United States	Canada	China	Mexico

Sources: World Factbook, Central Intelligence Agency, 28 August 2009; Federal Customs Service of the Russian Federation.

1 The ranking for Russia is based on officially released trade figures for the period January–June 2009.

Note: Hong Kong is not included in this calculation. If it were included, it would replace the Republic of Korea as China’s third-largest trading partner.

Northeast Asia’s dynamic growth, together with growth in Southeast Asia and with the end of the Cold War, explains how Asia began to emerge as a distinct core world region in the late 1980s, and how it managed to move from being a “subordinate to a regional dominant security system” (Alagappa 2008, 39–43). As Alagappa (2008, 46) explains, “regional actors and their interests now drive conflict formation and resolution in Asia. Extraregional actors are involved . . . but their salience derives from their interaction with Asian state and nonstate actors on issues of mutual concern.” This transition from a subordinate to a regional dominant system might not be complete (especially when it comes to institutionalization), but it appears to be moving in that direction, and it is part of the

⁵ They are the three largest economies by GDP as ranked in 2008 by the International Monetary Fund and the World Bank.

impetus behind the ROK, China, and Japan's recent conversation about building a so-called East Asian community (Kobayashi and Murao 2009).

Evidence of this transition was already visible a decade ago in the aftermath of the Asian financial crisis of 1997 (what many in Asia still refer to as the "IMF crisis"). The first ASEAN Plus Three summit (that is, ASEAN plus the ROK, China, and Japan) held later in 1997 was a direct result of the financial meltdown, and it led to the establishment of a network of bilateral swap arrangements known as the Chiang Mai Initiative (CMI), which is an all-Asian countermeasure anchored by Northeast Asia. Alagappa's characterization of a regional dominant system also fits with China's emergence as chair of the six-party talks aimed at peaceful North Korean denuclearization and regional security and economic cooperation.⁶ In this context of Northeast Asian dynamism, the United States has slowly become an extraregional actor, albeit a preeminent one and one that will remain intimately involved in regional institutions for some time.

We can also consider Russia to be an extraregional actor in Northeast Asia, primarily because of its lack of economic and security policy impact on the region, despite its geographic proximity. Russia's center of historical and economic gravity is located in its European part, in the same way that China's center of gravity is more East Asian than it is Central or South Asian. Past Soviet calls for a "collective security system in Asia" date back to Leonid Brezhnev in 1969 (echoed later by Mikhail Gorbachev in 1986 and 1988), but more often they seemed like pleas for relevance in the region instead of proposals that commanded respect and serious consideration by its neighbors (Gordon 1990, 47). Russia, owing to its fossil fuel wealth, has become more relevant since the early years following the Cold War, but it is still just a minor trade player in the region. Because of insufficient export infrastructure, less than 5 percent of Russia's oil and natural gas exports go to Northeast Asia, and Russian travel to Japan and South Korea is insignificant compared with other nations in the region (DOE 2008).

All of this might change gradually as new energy pipelines are built and if the Russian Far East can develop economically, but for now it seems most appropriate to consider China, Japan, and South Korea as the center of Northeast Asian regionalism, with the United States, Russia, and Mongolia on the periphery.⁷

6 The six-party talks comprise China, Japan, North Korea, South Korea, Russia, and the United States.

7 This is not to suggest that the potential role and influence of all these peripheral nations are similar. As mentioned above, the United States will be the preeminent extraregional actor in Northeast Asia, probably for decades to come. Russia's potential role is much larger than that of Mongolia, and Russia is poised to increase its influence if it can strengthen the energy and economic infrastructure in its eastern regions.

North Korea has essentially removed itself from the region through its own economic management, pursuit of nuclear weapons, and other policies although it controls its own fate and could re-enter the regional mix if it adopted a new approach. In contrast, Taiwan now relies heavily on Beijing to determine how deeply the island nation can become involved in regional initiatives, but it would be wrong to dismiss Taiwan. It is still an important economic player in the region, and finding ways to include Taiwan can have a positive impact on regional stability and security. The fact that all this leaves us with an unwieldy description for Northeast Asian regionalism as a Three (or Four) plus Three plus One helps to explain why it has been so slow in forming. Insufficient historical reconciliation among the core Three (or Four, if we include North Korea) and the preeminent role for the United States in the peripheral Three are other key factors. Still, there has been slow progress on a variety of fronts.

As noted above, the Asian financial crisis and the establishment of ASEAN Plus Three was a galvanizing moment for Northeast Asian regionalism. The leaders of South Korea, China, and Japan met for the first time on the sidelines of the ASEAN Plus Three summit in 1999, and they continued that tradition each year afterward, stimulating trilateral bureaucratic coordination in a variety of areas at levels never seen before. Tangible outcomes were modest, but they did launch joint research on economic cooperation and a joint business forum, harmonize certain customs and direct investment procedures, expand people-to-people exchanges, and implement certain environmental monitoring projects such as one focused on yellow dust. Such trilateral summits took on added importance and a higher profile when the three leaders met separately from ASEAN for the first time in December 2008 in Japan and unveiled an ambitious action plan for promoting trilateral cooperation.⁸ The second such summit held in Beijing in October 2009 came just after a major change in government in Japan, which limited opportunities for new initiatives.

Continuing these summits in the future should provide a useful venue for the three governments to mobilize resources in pursuit of certain common objectives, to develop a trilateral caucus of sorts within other organizations (such as ASEAN Plus Three, the East Asia Summit, ARF, or the six-party talks), and to defuse tensions if disagreements or conflicts erupt. The trilateralism experience of the United States, Japan, and Korea to coordinate policy toward North Korea has already demonstrated the value of a three-way meeting to allow for dialogue

⁸ The action plan and other joint statements from the first independent trilateral summit are available on the Web site of Japan's Foreign Ministry at www.mofa.go.jp/region/asia-paci/jck/index.html. The documents address economic and financial cooperation, disaster management, cyber security, environmental cooperation, and many other issues.

in the midst of a dispute, when bilateral discussion is politically sensitive.⁹ Nevertheless, there is a limit to how far they can go on their own. So far, a good portion of the “Plus Three” agenda has focused on their interaction with other institutions and initiatives. Largely because regionalism among themselves has taken so long to develop, most issues such as proliferation, pandemics, or trade liberalization are already “owned” by other organizations. Ultimately, the utility of ROK-Japan-China trilateralism will depend in large part on how the three countries come to define trilateralism’s underlying purpose, on which there is no clear consensus as yet (despite recent rhetoric supporting East Asia community building).

At their most basic level, regional initiatives of this kind can try to either *achieve* something positive or *prevent* something negative. The latter is generally easier to do as a group, while acting collectively to achieve something requires specific agreement not only on the common goal but also on the strategy and tactics to reach that goal. For this reason, U.S.-Japan-ROK cooperation vis-à-vis North Korea in the 1990s and the 2000s was more about preventing North Korean escalation and a rupture in the alliance relationships than it was about achieving denuclearization (Schoff 2005, 25). A similar dynamic is evident with other issues, whether it is mitigating conflict regarding territorial disputes, historical interpretations, fishing rights, or energy infrastructure development. Actually solving such disputes or implementing bold new measures such as a free trade agreement or the Greater Tumen Initiative is more difficult, but it can be done under the right circumstances.

For the most part, efforts to achieve specific objectives are handled more effectively at the bilateral level, while regionalism has a role in minimizing discord and taking incremental steps toward broad goals over time. Although the perception of organizing collective activity either *for* or *against* something can often be two sides of the same coin, a shared understanding of which side you are on is critical for successful regional cooperation. The six-party talks is an extreme example of an initiative working at cross-purposes within the membership, which helps explain why it has accomplished so little. Nations in the region have had an easier time aligning *for* something in a bilateral manner. If regionalism in Northeast Asia is going to be relevant, the countries involved will need to agree on what role they think is feasible in the face of various security challenges.

⁹ Amid an ROK-Japan bilateral dispute regarding history textbooks and Prime Minister Koizumi’s visits to Yasukuni Shrine, for example, just about the only chance for dialogue that Korean and Japanese diplomats had came in trilateral meetings with the United States. The trilateral venue was known at one time as the Trilateral Coordination and Oversight Group (Schoff 2005, 23).

III. Evolving Security Demands Affecting the Region

Although North Korea is not the only security challenge that Northeast Asia faces, North Korea is at the center of the region's security problems. The North Korean problem is threefold. First, there is the potential threat to South Korea posed by North Korea's large and forward-deployed armed forces; the government's closed, autocratic, and aggressive nature; and its unwavering commitment to national unification on its own terms. This is the primary peninsula security conundrum. Second, North Korea's missile and nuclear programs combined with its propensity to proliferate threaten a wider range of states, both inside and outside of the region. Finally, North Korea's decrepit economy and the potential for political instability when power shifts to a new generation form in combination a ticking time bomb that could exacerbate an already appalling human and environmental condition in that country. In this sense, North Korea's tenuous viability as a functioning state is a potential threat to the region if it leads to a humanitarian catastrophe.

All of these North Korean security dynamics can both affect and benefit from the involvement of other countries in the region, but the stakes and priorities vary from nation to nation, and policy coordination is currently weak. Somewhat ironic is the fact that North Korea's provocations and self-imposed isolation have been major catalysts for what little collective dialogue and action have emerged on the security front in Northeast Asia, be it the four-party talks, Trilateral Coordination and Oversight Group, six-party talks, and five-party consultations (that is, six-party talks minus North Korea) regarding the crafting of relevant UN Security Council resolutions (Snyder 2009). For the most part, however, the three different North Korean security dilemmas mentioned above have not been addressed in an integrated or consistent manner. We should also remember that none of them can be solved without a fundamental change in approach by North Korea. These are all long-standing and long-festering problems that have so far resisted regional cooperation, except when it comes to simply managing the situation and its potential negative effects. In its current form, North Korea might stimulate collective dialogue and some preventive action in the region, but it cannot be *the* issue that truly promotes regionalism and binds neighbors together for constructive purposes. The gaps are too large, and the stakes are too high.

The small bit of change surrounding these issues stems from North Korean missile and nuclear improvements and from ROK economic development. DPRK missile and nuclear gains have led to stronger U.S. alliance relationships in the region than would otherwise be the case, manifested in continued large numbers

of forward-deployed U.S. forces, enhanced interoperability, information sharing, cross-servicing agreements, missile defense development, and consistent reaffirmation of the alliances by the top political leadership in the United States, South Korea, and Japan. The ROK's economic development and its growing confidence vis-à-vis the North are responsible for higher levels of North-South interaction compared with pre-2000 levels as well as for the planned transfer of wartime operational control of ROK forces back to South Korea in 2012. At the same time that Washington is trying to strengthen its alliance relationship with South Korea to deter the North, it is also seeking to transform the alliance to give more responsibility to Seoul and to establish a posture that is more flexible in the near term and more appropriate for a unified Korea in the future.

Another driver of change in the security arena is the previously obscure threat posed by “global terrorism,” which became the most important factor in U.S. defense planning after the 2001 attacks in the United States and which led to long wars in Afghanistan and Iraq. This is another U.S. prompt for alliance transformation with Korea and Japan because the battle against terrorist networks involves more than defensive military action and includes countering proliferation of weapons of mass destruction, humanitarian assistance and development aid, democracy promotion, and other missions. The rationale for and method of restructuring the alliances, therefore, are trying to be applicable to both the current strategic environment *and* a post-DPRK world. The U.S.-ROK Joint Vision statement of June 2009, for example, embodies all of these objectives and represents a bilateral attempt to adjust to evolving security demands. This should be coordinated with other similar initiatives in the region.

When it comes to change in the regional security environment, China's military modernization is perhaps the most important development, particularly its investments in area denial capabilities (new submarines, missiles, and aircraft) that are narrowing the gap in conventional-weapons superiority long held by the United States and its allies. The main source of concern is not simply that China is spending more on defense and modernizing its forces (although China's defense budget has more than doubled since 2001).¹⁰ Instead, it is the nature of this modernization and the relatively quick and substantial investment in certain capabilities that are steadily eroding the allies' ability to dominate the skies and seas around East Asia as they once could. When China's military investments will plateau is also unclear.

10 U.S. officials (OSD 2009) estimate that China's actual defense spending was roughly \$60 billion in 2001, and that it was about \$140 billion in 2008.

For example, China's ballistic missile program is among the most active in the world; its indigenous J-10 fighter aircraft represents a generational advance; its submarines, torpedoes, antiship cruise missiles, and other weaponry are increasingly sophisticated; and it is apparently preparing to build and deploy aircraft carriers (Minemura 2008). In addition, China is modernizing its strategic nuclear forces with new JL-2 sea-launched missiles and solid-fueled, road-mobile DF-31 missiles, both with ranges of approximately 7,000 kilometers. Beijing is pursuing this at the same time the United States is reducing its nuclear stockpile, likely resulting in a truly viable Chinese second-strike nuclear capability at some point. As U.S. Secretary of Defense Robert Gates noted in 2009, "we should be concerned . . . with [China's] ability to disrupt our freedom of movement and narrow our strategic options" (Capaccio 2009).

All of this suggests that the United States could lose its nearly exclusive dominance over the conflict escalation ladder in the region, and some in Tokyo (and to a lesser extent in Seoul) worry that this will cause Washington to seek to avoid escalation at almost any cost. Thus, allies' questions about the future of nuclear balance immediately put the spotlight on the regional conventional balance, which is still favorable for the alliances but trending undesirably vis-à-vis China. This is essentially an East Asian version of the old Western European fear of "decoupling" during the Cold War, when some worried that the United States might detach itself from its strategic commitment to Europe in the face of a strengthening Soviet Union. In addition, China's large-scale investment in U.S. debt instruments and the strong trade ties between the two could add to U.S. reluctance to confront China, at least when viewed from Japan (Schoff 2009). Beijing, of course, views the traditional U.S. military dominance in the region as the anomaly, and it insists that it is making only reasonable military upgrades commensurate with its growing wealth and responsibilities. The challenge for Northeast Asia is how to avoid an arms race of sorts prompted by perceptions of a security dilemma.

Traditionally, the most dominant analytical framework used to assess the future of the Northeast Asia region is the balance-of-power theory. Many analysts have predicated their discussions on traditional zero-sum terms that tend to underscore the competitive drivers in Asia.¹¹ A typical view (Friedberg 2001, 7) holds that "Asia's future will resemble Europe's past; that it will be marked, in other words, by competitive great-power politics, shifting alliances, costly arms races, periodic crises, and occasional wars." This specter looms even larger if U.S. economic weakness and indebtedness persist amid a backdrop of a declining U.S. dollar,

¹¹ For a pessimistic assessment, see Dibb, Hale, and Prince (1999). This parallel was also drawn by Bremmer, Choi, and Kawaguchi (2005/06).

a rising *yen*, and a rising *yuan*. America’s “sole superpower” moment could be waning, which is not problematic in and of itself unless the region’s adjustment leads to friction and conflict. If we accept that the balance of power is shifting in East Asia, then we ought to expect important changes ahead. The value of Northeast Asian regionalism, therefore, lies in its ability to help prevent or manage potential conflicts that could erupt during this shift.

IV. Economic Ties and Outside-In Regionalism to Foster Stability

China’s rise in the region is unsettling to some, but, generally speaking, it has been a great boon for East Asia, and Northeast Asia in particular. Japan’s economy would be in far worse shape, after the bursting of its economic bubble in 1990, were it not for growing exports to China from the mid-1990s onward. Japan’s share of total exports to China rose from 5.2 percent in 1997 to 13.5 percent in 2005, and this was during a period of explosive growth in the Chinese economy (Weiss 2008, 265). China’s imports rose more than sixfold during this time. South Korea’s share of total exports to China rose from 10 percent to nearly 22 percent in the same period. These export volumes far exceed those for any other country in East Asia, and even the rates of growth are among the highest.¹² In the big picture, the overall benefit of China’s growth for South Korea and Japan has so far outweighed the downsides of injury to specific industries or a marginal decline in potential conflict escalation control. Whether this statement will remain true in the future is another story. As noted above, the recent concern is that China’s accumulation of market and military power will allow it to dictate terms when it comes to regional collective efforts or attempts to resolve disputes.

The nascent regionalism we see in Northeast Asia could be a useful tool for mitigating the potential negative effects of changes in the balance of power and growing rivalry and competition. After all, even though relational identity among the core three (China, Japan, Korea) is relatively weak, it is not necessarily negative, and there are many positive aspects to which we can point. This is not an anarchic, self-help sort of regional security system. Overall, it is more accurately described (Alagappa 1998, 54–55) as a cooperative system that lies somewhere between self-help and a community security system (the latter marked by a common regional identity and security interests). As Alagappa (1998, who cites Stein 1990) describes, “States may be somewhat suspicious and mistrustful of each other [in a cooperative system], but there is no perception of immediate threat . . . [and they] have a mutual interest in avoiding least

¹² The Philippines scored the highest in terms of growth rate, going from 1 percent of total exports to about 10 percent (Weiss 2008).

preferred outcomes . . . and promoting common interests through collaboration.” We see this in the halting emergence of trilateralism among the “Plus Three” in trade and investment promotion and in the ability of the six-party talks to function somewhat effectively as a consultative group without North Korean involvement. The three are linked to the five, just as the five are linked with France and Britain during negotiations regarding the crafting of UN Security Council actions vis-à-vis North Korea. It could become a series of concentric circles with the “Plus Three” group at the core.

The concepts of a linked security system in East Asia and “outside-in” regionalism in Northeast Asia are helpful when considering architecture options for the future. Some have argued that linking institutions (whether bilateral, multilateral, or global) is critical for developing Northeast Asian security regionalism, rather than establishing a single multilateral institution.¹³ Kikuchi Tsutomu (2008, 204) makes this argument, emphasizing the wide range of interconnected security issues involving different combinations of regional players, and he suggests that mutually coordinated or interlinked institutions can create de facto security multilateralism in the region. Bilateral U.S.-ROK and U.S.-Japan efforts to counter proliferation, for example, can link to the Proliferation Security Initiative (PSI), the International Atomic Energy Agency, and the UN Security Council. Various bilateral efforts to deal with territorial disputes can link to broader regional and global institutions for support. Building a peace regime on the Korean peninsula is primarily an inter-Korean responsibility, but it also connects to the U.S.-ROK alliance, eventual four-party talks on the topic, the six-party talks, and the UN.

The UN system in particular (in combination with certain nongovernmental organizations [NGOs]) is often overlooked during discussions about Northeast Asian regionalism, despite the UN’s involvement in the Korean War and maintenance of the armistice. It can be especially useful when dealing with short-term crises of a sensitive nature or as a partner in various functional areas. The World Food Program (WFP), for example, organized food relief programs in 1995 and then again in 1997 after a combination of floods and drought caused famine-like conditions in North Korea. Between 1995 and 2001, the WFP contributed two million tons of food aid worth \$500 million to the North. The principal contributors were the United States, South Korea, Japan, and the EU (Lee 2003). The World Health Organization and the UN Development Program

13 Yamamoto (2008) explains that one of the ways Northeast Asian countries can institutionalize their relations is to borrow principles of global institutions or to become part of larger regional organizations. He calls this “outside-in” regionalism.

became involved in North Korea around this time, and they have continued to run programs there.

Access and monitoring of international aid activities in North Korea have always been problems, but there has been some improvement over the years, and continued progress holding North Korea to international standards in such areas will be important if the region attempts to assist the country economically (or in times of crisis). In the 1990s, the UN and other relief organizations delivered food to starving people throughout the famine, but they were unable to determine the scale of the famine because officials could not move freely. Relief agencies responding after the Ryongchon train station disaster in 2004 faced similar problems at first, but eventually a wider range of contributors (including direct bilateral contributions from the ROK) and multiple entry points (for example, shipping ROK contributions to China and trucking from Dandong) were allowed. At this time the Food and Agriculture Organization was also involved in recovery projects following that disaster, and the UN's Office of the Coordinator for Humanitarian Assistance had its first experience in the North.

There was incremental improvement later, after the devastating floods of 2007 in North Korea. Unlike during the 1995 floods, the North Korean Ministry of Foreign Affairs immediately organized visits for UN, NGO, and other foreign officials to some of the heavily affected areas. The WFP required additional outside help to repair the damaged roads and rail it needed to use to deliver the food shipments to the affected rural areas. The Red Cross (which has years of experience in the North) entered North Korea, assessed the substantial damage to the health infrastructure, and appealed for \$5.5 million for basic emergency medical aid. Unlike during the 1990s famine, UN officials were able to confirm the urgency of the situation and the scale of damage the flooding caused.

There is no need to create a new institution to try to coordinate activities of this kind or to address most other regional challenges, but there is room to improve how existing organizations communicate and coordinate with each other. The parties involved can accomplish this in part via the U.S. alliance relationships, certain minilateral initiatives, and regional and global forums as long as they are careful not to contradict one another in these different venues. Linkages among different institutions and initiatives can facilitate communication and standardization, which are among the primary benefits of regionalism. This leads to mutually recognized expectations, minimizes misunderstandings, and helps with dispute resolution when necessary. Over time, the nations involved can streamline these interconnections, as the relative value of some linkages over others will reveal themselves. Outside-in regionalism might not be sufficient

in the long term to address specific Northeast Asian challenges, but it is a good start. The question is, how do we reconcile these various bilateral and multilateral initiatives and establish constructive links between them without wasting effort, creating confusion, or potentially undermining useful organizations?

V. The Nexus of Enriched Bilateralism, “Plus Three” Trilateralism, and Six-Party Talks

Proposals to create a formal regional security mechanism in Northeast Asia often get a skeptical reception in military and government circles, especially in Seoul, Tokyo, and Washington, where confidence in their alliances is high. The lack of progress in the six-party talks working group on building a regional security mechanism is partially attributable to this lack of enthusiasm. Even if the six-party talks were to succeed in DPRK denuclearization, this skepticism would persist, because many worry that a regional forum might create an illusion of functioning multilateralism, thus weakening the bilateral alliances without a robust enough replacement. Some argue that the Washington Naval Treaty of 1921 had this effect on the Anglo-Japan alliance at the time. As one former high-ranking Japanese diplomat put it: “The six-party talks are not particularly effective, but they are worth a try, and we can say at least that they are harmless. But the alliances are useful. They can accomplish tangible things, both in the region and abroad. We must be careful not to replace ‘useful’ with ‘harmless.’”¹⁴

The allies should maintain and upgrade their security relationships, and they should continue to look for opportunities to develop linkages among them and with other partners in the region. This is part of what alliance transformation is all about. Some have described this as a shift from exclusive, hub-and-spoke bilateralism to so-called extended bilateralism. William Tow (2003) argued that the growth of multilateral institutions and the tightening web of interdependence have substantially enhanced mutuality of interests among Asian states. In response to such trends, and in light of the U.S. focus on capabilities and interests rather than threats as the organizing principle for alliance management, Tow urged that these ties should be extended to each other or complement multilateral institutions as a bridge to accommodate the convergence of interests among the various regional players.

In a variation of the same theme, Admiral Dennis C. Blair, former commander in chief of the U.S. Pacific Command and now director of national intelligence, called for a fundamental shift away from the competitive balance of power mentality, which has dominated interstate relations in the region, through the

¹⁴ Interview with author, 1 August 2007.

promotion of shared interests (Blair and Hanley 2001). Similar to Tow, he believed that the road to future stability runs through America's bilateral alliances with South Korea and Japan in the form of "enriched bilateralism." According to Blair, this new structure "principally involves greater consultation and policy coordination with the nations of the region regarding the full range of U.S. policies that affect their security interests, going beyond those that affect only bilateral arrangements." Such an arrangement could then become the forum in which other regional powers are involved as active participants. In this case, Blair is talking about the broader Asia-Pacific region, but we can apply these principles more narrowly to Northeast Asia as well. He envisioned the inclusive process serving as a stepping-stone toward genuine multilateral mechanisms.

Throughout the 2000s, the United States and its allies have essentially been moving in this "enriched bilateralism" direction, albeit at a modest pace and with varying degrees of political support, depending on the party in power.¹⁵ This has been an underlying theme of the U.S. Theater Security Cooperation plan for several years; and it manifests itself in a series of trilateral initiatives (for example, U.S.-ROK-Japan, U.S.-Japan-Australia, and U.S.-Japan-India); in expanding participation at certain military exercises in Thailand, Mongolia, and the Pacific Rim; and in broader multilateral initiatives such as PSI or the Multinational Planning Augmentation Team. The June 2009 U.S.-ROK alliance Joint Vision statement (White House 2009) emphasizes these themes clearly in its paragraph on regional security and prosperity. Under Prime Minister Koizumi Junichiro and his successors, Japan had been moving in this direction since 2001 (if not before), but the new Japanese government led by the Democratic Party of Japan seems less interested in this approach if it entangles Japan in a wider range of security commitments. Even so, politicians can emphasize the "enriched" portion of enriched bilateralism by expanding security ties with other regional partners (such as a possible new cross-servicing agreement between Japan and Australia), while this expanding security network remains rooted in the bilateral alliances.

An important consideration is how the concept of enriched bilateralism relates to China and how Beijing perceives its development. Clearly, China will be a bigger security player in the region as time goes on, but it is hard to imagine a Sinocentric security system emerging anytime soon. The U.S. alliance system will remain central to the preservation of Northeast Asian stability for some time. Depending on whom you ask, however, some see the alliances (and their accompanying network) as a way to balance against China, while others see them

¹⁵ For example, President Roh Moo-hyun was relatively uninterested in pursuing this sort of arrangement with the United States, but his successor, Lee Myung-bak, has been supportive.

as a way to build a regional security framework that fully incorporates China as an integral member. The latter view is likely to be more stable and productive in the long run, if it is achievable (and this depends, in part, on China's actions, as well).

Thus, the process of strengthening alliances and diversifying them should be done in an inclusive way that connects them together with each other and with nonalliance partners. This is a strategy to get beyond the traditional balance-of-power approach and ameliorate the security dilemma, and it can provide meaning to the concept of wheels-to-webs (it is not wheels-to-shields, after all). The allies are already pursuing this inclusive strategy to some degree in certain functional, nontraditional areas of security cooperation, including disaster relief, peacekeeping operations, and anti-piracy efforts, but there is still a long list of topics currently off the collective agenda that could be added, such as contingency planning for a sudden change in North Korean leadership, information sharing, cyber security, and counterproliferation. Early on, some of these issues might be dealt with constructively in unofficial track-two academic or professional venues, slowly taking on a more official character as the value of regional dialogue becomes more apparent, less politically sensitive, or both.

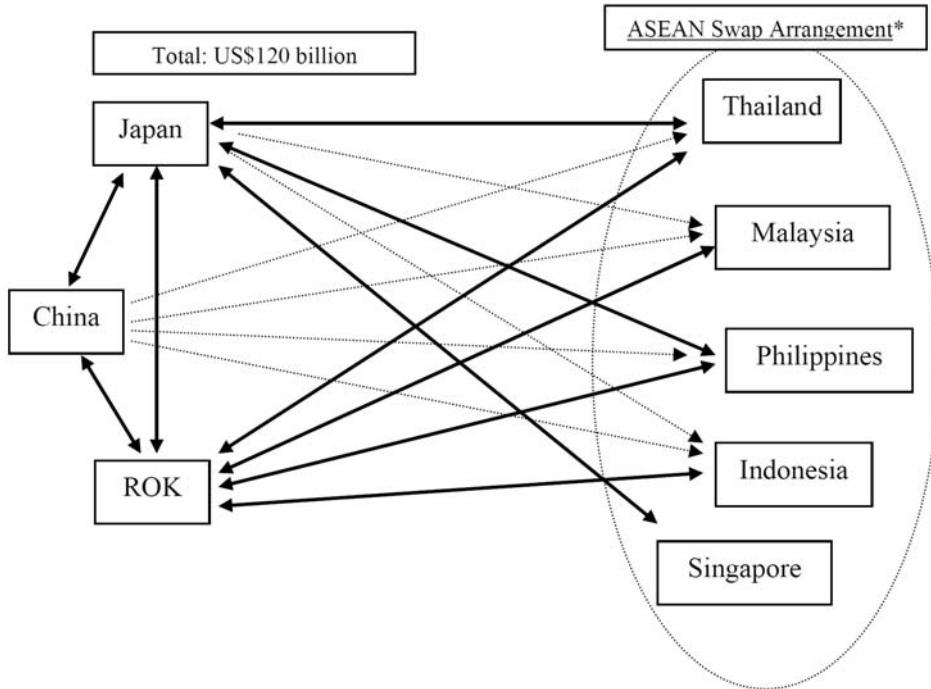
The concept of enriched bilateralism is not restricted to the security sphere, and it was evident at least as early as 2000 in the CMI and its bilateral swap arrangements. A graphic depiction of these swap arrangements (*Figure 1*) demonstrates how a regional architecture can be constructed through carefully arranged bilateral agreements. Japan, China, and Korea act as the anchor for CMI, but another facilitating component is ASEAN's cohesiveness. Even though these are bilateral swap arrangements, the fact that Thailand, Malaysia, Singapore, and other ASEAN nations are part of the same "in" group makes it easier to negotiate the deals using common standards. The combination of a strong, coordinated anchor and a group of organized counterparts is a big part of what makes CMI credible and stable.

For Northeast Asian regionalism, strengthened trilateral coordination among the "Plus Three" countries in a variety of functional areas can be an effective and manageable anchor (supported by the U.S. alliances and enriched bilateralism). These functional areas can include not only nontraditional security cooperation as mentioned above, but also cooperation in trade facilitation, space exploration, public health, ocean resource management, and other areas.

The network of functional bilateral arrangements will be different depending on the issue. On the one hand, disaster relief and public health initiatives might

involve a large number of players, including individual countries throughout the Asia-Pacific region and regional or global forums such as ASEAN, the ARF,

Figure 1: Network of Bilateral Swap Arrangements under the Chiang Mai Initiative, June 2009



Source: Ministry of Finance, Tokyo.

* ASEAN (Association of Southeast Asian Nations) arrangements include all ASEAN members.

and the UN system. On the other hand, the scope of coordinated bilateral agreements for such issues as space exploration, maritime security, or even North Korean economic development or contingency planning will be more limited, although it will still likely include UN and other international organizations. In each case, however, the “Plus Three” countries can play a vital core group function, helping to coordinate Northeast Asia’s linkages to other regional and global institutions.

The final piece of this puzzle is how to incorporate the “peripheral three” (that is, the United States, Russia, and Mongolia), North Korea, and Taiwan in this web of linkages, and the six-party-talks experiment offers one solution. The United States will already be plugged into the “Plus Three” core through its bilateral alliances with Korea and Japan, but those are exclusive relationships. Although it is premature for the six-party talks to act as a true regional security

mechanism, they can be an effective consulting body for a wider range of issues beyond just North Korean denuclearization.¹⁶

The six-party talks (with or without North Korea) can begin to address some of the functional issues mentioned above, even if it is primarily a form of consultation and coordination rather than the point of origin for new regional initiatives. This is similar to the concept of a Northeast Asia Regional Forum (NERF) presented a few years ago, although the NERF did not include North Korea or Mongolia (Bremmer, Choi, and Kawaguchi 2005/06). For certain issues, such as trade, health, and the environment, involving Taiwan should be feasible. In this case, the six-party talks could expand to include Mongolia and could also involve North Korea if that country is willing to rejoin the Nuclear Non-Proliferation Treaty. The name of this group might need to change a bit to differentiate it from the denuclearization agenda, but it could effectively include most of the same participants and meet consecutively (if the six-party talks formally resume). Following denuclearization, this group could essentially absorb the six-party talks.

The purpose of this group would be to develop regional priorities and facilitate outside-in regionalism tailored specifically to the needs and unique circumstances of Northeast Asia. It would be a more inclusive bridge connecting “Plus Three” trilateralism and enriched bilateralism with broader regional forums and international organizations, specializing perhaps in energy security and nuclear power development, region-specific confidence-building measures, and environmental cooperation. It could be a way to spread the beneficial lessons of certain bilateral agreements (for example, joint energy development near disputed territory in the East China Sea or other locations) to other forum members, and it could help mitigate the potential negative impact of bilateral disputes.

This practical but still progressive approach to Northeast Asian regionalism is a way to move from what is not necessary toward what is still too hard to accomplish, and it can help to promote regional identity without excluding key players outside the region. Our goal should be to try to build capacity over time so that we achieve positive outcomes in the long term, even if the near-term utility of regionalism is weighted toward the avoidance of undesirable outcomes and smoothing over differences. Combining “Plus Three” trilateralism, enriched bilateralism, and a six-party-talks-like arrangement can be useful in multiple arenas of security, economics, and the environment because it relies more on tapping into other successful initiatives and expertise rather than trying to build regional solutions in each and every case. The potential benefit of challenges

¹⁶ For a discussion of six-party-talks capacity building, see Schoff, Perry, and Davis (2008).

such as the Asian financial crisis and North Korea's nuclear breakout is that they can be catalysts for regional cooperation. We will reap rewards from these trials only if we commit ourselves to continually improving our ability to communicate and coordinate toward common goals.

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