
The Bush Administration's Second-Term Foreign Policy Toward East Asia

By
Evans J. R. Revere,
Department of State Acting Assistant Secretary for East Asian
and Pacific Affairs

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Overview

No one here needs to be persuaded of the importance of East Asia to the United States and the importance of the U.S. to East Asia. Our engagement with this vital region covers the entire spectrum from security, trade and investment to disaster relief, coordination of development aid, disease control and an ever growing network of non-governmental connections among our societies. The United States has been an Asia-Pacific player for two centuries. We will remain so.

For the past sixty years, in particular, the United States has played a vital role in helping Asians to achieve their success. And this, too, must and will remain so. We have helped to keep the peace; have kept open the door to our market, even in tough economic times; and have stood strongly with Asian reformers at critical junctures in the region's many enormously successful transitions to democracy.

Several major military powers are in East Asia, as is one of the world's biggest security problems North Korea which poses both a powerful conventional threat and has a nuclear weapons program opposed by all countries in the region.

On the economic side, East Asia features some of the world's most powerful and strongly growing economies. Three of our top ten trading partners are in the region:

- China (3rd);
- Japan (4th); and
- The Republic of Korea [South Korea] (7th).

Enhancing our economic, trade, and investment relations is one of the most promising means for encouraging further positive growth and development, and for bringing out the best in our relationships in the region. With this as background, I am pleased to have this opportunity to offer a few thoughts on our foreign policy in East Asia. And since the focus of this conference is Korea, let me begin on the Peninsula.

Korea

Despite significant differences in terms of history, geography and culture, the U.S and South Korea alliance now more than half a century old has been remarkably enduring and beneficial for both nations. That alliance that partnership is just as important now to both our countries as ever.

Over the past fifty years, the South Korea has raised itself from the depths of wartime devastation and shaken off the shackles of authoritarian rule as it has transformed itself into a fully democratic nation committed to human rights, the rule of law, and economic prosperity for all its people. The blossoming of democracy also has had profound effects on Korean attitudes toward external relations with the Democratic Peoples Republic of Korea [D.P.R.K., North Korea], with Korea's neighbors, and with the United States. From the Washington perspective, we see a more confident and assertive foreign policy in Seoul, one aimed at making sure that

Korea never again suffers the fate it did a century ago. For all of us who understand Korea's complex, difficult history, Seoul's aspiration is a natural one. As our South Korean friends seek to redefine their place in the world, they can do so confident that one major factor is very different from the past. Unlike a century ago, today South Korea has a strong alliance partnership with the United States a power that serves as a guarantor of South Korea's independence and freedom. America is proud to play such a role.

Our alliance with the South Korea is not without its share of challenges, but if we look back over the recent past, there is much to be optimistic about in terms of what we are accomplishing together. Today, South Korean and American forces are serving together to ensure a promising future for Iraq and Afghanistan; our two governments have concluded agreements on U.S. troop deployments; and, working together, we have made progress in the economic and trade sphere that may even allow us to start Free Trade Agreement (FTA) negotiations.

Operation Iraqi Freedom

The South Korea was one of the early contributors to Operation Iraqi Freedom, and now has 3,400 troops in country, making it the third-largest coalition partner in Iraq. The South Korean government has committed \$60 million for Iraq's reconstruction and pledged an additional \$200 million in assistance through 2007. The Iraqi people and the United States are grateful for South Korea's contributions to build a new and free Iraq. And let me also say that we and the people of Afghanistan are equally appreciative of Korea's willingness to contribute personnel and assistance to rebuild that country.

Future of the Alliance and Security Policy Initiative

Late last year, our two governments concluded the two-year Future of the Alliance (FOTA) process, with agreements on base relocations including the historic return of the Yongsan Garrison and other U.S. redeployments within and from the Peninsula. This was a joint effort to restructure, modernize, and rationalize our force structure and basing arrangements and, at the same time, to make the U.S. troop presence in South Korea less intrusive to the South Korean public. We have set out on a path that will result in a stronger U.S. deterrent posture, one that can endure into the future. As a key element of this, the United States set in motion an \$11 billion program of force enhancements on the Peninsula and in the region to strengthen our deterrent capability in support of South Korea.

Our two governments have now established the Security Policy Initiative (SPI), a consultative mechanism for implementing those agreements and addressing new security issues. One issue we have been discussing is "strategic flexibility," the concept that U.S. forces, wherever they are located in South Korea, elsewhere abroad, or in the United States need to be able to respond flexibly to security challenges, wherever they occur.

It is important to keep in mind that strategic flexibility is not a one-way street. Strategic flexibility is the same doctrine that enables additional U.S. forces to come to South Korea from anywhere in the world in the event of a contingency, forces that enable us to honor our treaty commitment to defend South Korea.

Free Trade Agreement, Mad Cow Disease, and Intellectual Property Rights

In the realm of economic and trade relations, the United States and South Korea enjoy very broad and mutually beneficial ties. As in any complex relationship, we have outstanding issues, but we have enjoyed a constructive dialogue in addressing differences when they occur. Notably, we are considering the possibility of negotiating a Free Trade Agreement, with a decision on that possibility expected by the end of this year.

I am also pleased to note that the South Korean government has made a commitment in principle to lift the ban on U.S. beef imports expeditiously. Meanwhile, we have made good progress on intellectual property concerns, and as a result of the South Korean efforts on intellectual property rights (IPR), we have now been able to move South Korea off the *Priority Watch List* to the *Watch List*. Finally, our two governments are cooperating closely on several initiatives within Asia-Pacific Economic Cooperation (APEC) during Korea's chairmanship this year.

North Korea [Democratic Peoples Republic of Korea]

As I said earlier, our alliance is not without its challenges. Foremost among them is how to deal with North Korea and the nuclear issue. Joe DeTrani will speak in detail later in the conference on this subject, so I will make my remarks brief. The U.S. administration understands the special nature of South Korean feelings regarding the North and the desire to avoid destabilization on the Peninsula. We also well understand that popular attitudes towards the North have evolved since the historic South-North Summit of 2000. And we know that people in South Korea strongly desire to pursue peaceful, diplomatic means to resolve the North Korea nuclear issue.

That is precisely the U.S. position, as well.

We believe the Six-Party Talks are the best means for resolving the nuclear issue diplomatically. The essence of our approach was spelled out by Secretary of State Rice, who said in her confirmation hearing:

We have made clear to the North Korean regime that the President of the United States has said that the United States has no intention to attack North Korea, to invade North Korea, that multilateral security assurances would be available to North Korea, to which the United States would be party, if North Korea is prepared to give up its nuclear weapons program, verifiably and irreversibly.

Our diplomacy, and that of the South Korean government and others, has sought to drive home to Pyongyang the message that brinkmanship and threats only lead to further isolation. As Secretary Rice has said, "The world has given North Korea a way out, and we hope they will take that way out."

If North Korea dismantles its nuclear programs, multilateral efforts can provide opportunities for better lives for the North Korean people. And resolving the nuclear issue can open the door to improved relations with the United States, North Korea needs to understand that it is increasingly an isolated, out-of-step country that is a threat to peace and prosperity in a region where most of the trends are going in the opposite direction, that is, to greater regional cooperation; openness to transnational flows of goods, capital, people, technology and investment; and integration with the world.

China

There is a small cottage industry churning out articles portraying China's reemergence in all matter of ways. The question of how China intends to use its growing power is important: China has rapidly integrated itself into the global economic system. Like India, it has moved into a key position in the global supply chain. Its military capabilities are growing. And like all emerging powers, it must choose whether and how to adapt to the international system it has sought to join over the past thirty years.

Let me restate our policy clearly: As Secretary of State Rice said on her recent trip to Asia, we want a confident and prosperous China that can play a constructive role in the world. But we also expect a rising China to rise, too its global responsibilities and to show it is doing so through

its actions. This means working individually, jointly with us, and cooperatively with others in support of shared interests.

Indeed, as Secretary of State Rice has said, we and our allies and friends can help foster an environment in which a rising China acts as a positive force. In a nutshell,

We want China as a global partner, able and willing to match its growing capabilities to its international responsibilities.

There will naturally be areas where we disagree for example, on Taiwan and human rights. But there are areas where we must and are finding ways to cooperate North Korea, counterterrorism, global growth to ensure peace, stability and prosperity in the East Asia and around the world. While America has been joined by China as an engine of growth in the region, we need to ensure open and transparent markets. As China continues to incorporate itself more fully into the global system, we intend to work with China bilaterally and in the context of its World Trade Organization (WTO) commitments to address outstanding concerns related to that ongoing integration effort, particularly on issues such as intellectual property rights, financial sector reform and improved market access.

China's dynamic economy offers growth possibilities for the entire Asian region. This in turn increases China's interconnections with other Asian nations, as well as its regional political influence. China's primary security interest is in stability in Asia. It is the policy of the U.S. to encourage China's integration into regional economic and security structures, in the aim of fostering closer relations between China, its neighbors, and other regional powers including the U.S. It has never been the policy of the U.S. to restrict or contain China.

As I noted earlier, there are, of course, issues that affect our relationship with China, particularly Taiwan. Our one-China policy is clear and unchanged. We oppose any attempt by either side to unilaterally change the status quo. We believe that dialogue is conducive to peaceful resolution and urge both sides to continue to expand recent steps toward a more productive relationship. And in the interests of peace and stability we stand by our obligations under the three communiques and the *Taiwan Relations Act*.

I know that many of you are interested in the recent visits of opposition party leaders to the PRC. So are we. Those have been positive developments. Meanwhile, we continue to urge China to meet with the duly elected representatives of Taiwan to engage in a dialogue that can best meet the aspirations of people on both sides of the Strait.

Japan

Japan's success during the past half century rising from the ashes of a terrible war to global prosperity, responsibility, and international standing has been historic and inspiring. Japan, our bilateral security partner for more than fifty years, has now become a key partner in the global war on terror, and in the search for peace in the Middle East. The people of Japan have provided generous humanitarian aid to Iraq, and made key contributions to the success of Iraq's elections, as well as to political and economic development Afghanistan. And Japan has deployed Self-Defense Forces to perform humanitarian missions for peace and stability in Iraq. In sum, Japan has begun to step up in a more concerted way to its wider global responsibilities. We welcome this. Japan has earned an honorable place among the nations of the world by its own efforts. That is why the United States unambiguously supports a permanent seat for Japan on the United Nations Security Council.

We believe the United States and Japan can do even more together. Our two countries provide about 40 percent of all government assistance to developing countries throughout the world. And that is why Secretary of State Rice, during her trip to Japan in March 2005, proposed a Strategic

Development Alliance for our two countries to sit down and regularly, systematically focus our efforts to advance these common objectives in countries where we are already working side by side across the globe. The United States and Japan relationship continues to evolve in other ways, as well. On both the regional and global levels, the U.S. and Japanese alliance is modernizing. Defense realignment discussions are ongoing. But the heart of the U.S. and Japanese alliance, the broad partnership not just the military alliance remains constant: a shared commitment to peace, freedom, and market-based economic prosperity.

Regional

For a long time there was only limited progress in developing regional institutions in Asia. This has begun to change, partly because of the end of the Cold War, but also because of the expansion of intra-regional trade patterns, Asian reactions to the 1997-1998 financial crisis, and generational change, among other factors. Despite troubling historical animosities, Asians are working together in unprecedented ways. We welcome this first, because many issues are transnational and can only be addressed through coordinated, collective action. These range from problems like terrorism and transnational crime to opportunities like reducing trade barriers stopping the spread of infectious diseases and protecting the environment. Regional arrangements also hold the promise of further increasing Asia's influence on the world stage. As you know, the U.S. has been deeply involved in APEC and the Association of Southeast Asian Nations (ASEAN) Regional Forum, and in working to bolster those organizations' effectiveness. In recent years, however, I have to note that we have seen movement toward more Asia only organizations, including the newest proposal to hold an East Asia Summit this coming December 2005 in Kuala Lumpur. We do not view such proposals as automatically inimical to U.S. interests; we do not need to be in every room and every conversation that Asians have with one another. We do, however, have to ensure the strongest possible continuing U.S. engagement in the region and continue to believe that the strategic and economic geography through which Asians can best build on their success is via trans-Pacific partnerships and institutions. And so we are working hard to strengthen these trans-Pacific partnerships; to make them more effective programmatically; to pursue a robust economic, trade and security agenda in multilateral structures; and to remind Asians of the role these groupings continue to play in their success. As I mentioned at the outset, the U.S. has helped the Asia and Pacific region for two centuries and we will remain an important part of helping the region to achieve its highest aspirations.