

## Chapter 3

# The United States and Asia: Under Pressure of Domestic Affairs

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**O**n January 20, 2005, George W. Bush was inaugurated for his second term as president of the United States. However, from the outset, in foreign relations he faced the Iraq problem and in domestic affairs he faced an enormous budget deficit. The president's approval rating fell immediately after the start of the Iraq War from 70 percent to 51 percent.

In the president's Inauguration Address on January 20 and in his State of the Union Address on February 2, he advocated the promotion of freedom and democracy in the United States and overseas, with the basic ideology of opposing the extremist ideas of the terrorists. Given the growing doubts about the justness of the Iraq War, he took a stance that more strongly emphasized coordination with allies and friendly countries, adhering to the policy goals from his first term. In fact, he made active efforts to improve relations with Europe, such as a visit to Europe in February.

Even so, when Condoleezza Rice was transferred from the position of national security advisor to secretary of state, there were 13 Senate votes in opposition, the second highest opposition in history. In public opinion and in the Congress, the degree of partisan friction increased.

When Richard Armitage, deputy secretary of state, and James Kelly, assistant secretary of state for East Asian and Pacific affairs, resigned accompanying Colin Powell's resignation as secretary of state, the top positions in the Department of State under Rice were filled by Europe specialists, including Robert Zoellick, deputy secretary of state, and Nicholas Burns, undersecretary of state for political affairs, and Christopher Hill, assistant secretary of state for East Asian and Pacific

affairs. At the end of 2005, the Japan specialist Michael Green, senior director of Asia on the National Security Council (NSC), also retired, causing an apparent dearth of Asia specialists in important positions in the second Bush administration.

In 2005, the Bush administration faced one difficulty after the other in domestic affairs. First was the delayed response to Hurricane Katrina which struck the southern United States in late August, resulting in severe criticism from the victims and the Democratic Party. At this time, the president's approval rating plummeted to around 40 percent. Moreover, in October Lewis Libby, the vice president's chief of staff, was indicted for perjury in relation to the leakage of information concerning a CIA operative, and he was forced to resign. There is a possibility that future investigation will extend to persons at the center of the administration, such as Vice President Cheney and Karl Rove, presidential advisor. Furthermore, high oil prices are fanning the dissatisfaction of voters.

Under these circumstances, President Bush made a round of visits to Japan, South Korea, China, and Mongolia in November, but his Asia policy overall only maintained the status quo and was reactive rather than proactive.

### *Conditions on the Korean Peninsula*

On February 10, 2005, in a statement by the foreign ministry of the Democratic People's Republic of Korea (North Korea), it was declared that it had produced nuclear weapons for self-defense and that its participation in the six-party talks was suspended indefinitely. The United States was seen to respond negatively, consistent with its plans heretofore for "regime change" in North Korea, given that Secretary of State Rice stated that the United States supported the oppressed people of Cuba, Myanmar, North Korea, Iran, Belarus, and Zimbabwe at the Senate nomination hearings mentioned above. However, North Korea's statement also mentioned that there was no change in its fundamental standpoint of resolving problems through dialogue and entente or in its ultimate goal of a nonnuclear Korean Peninsula, thus suggesting hope for negotiations with the United States.

China also actively acted as diplomatic mediator, and from late July to September 19, six-party talks were held four times, with recesses in between, in Beijing. At the talks, with the United States' insistence in principle on "complete, verifiable, and irreversible nuclear dismantling" and North Korea's insistence on provision of light water reactors, there was no

sign of making headway. However, the United States responded actively to the bilateral contact between the United States and North Korea and was successful in incorporating into a joint statement a phrase mentioning abandonment of all nuclear weapons and all existing nuclear plans. Meanwhile, the United States indicated that it would discuss the problem of provision of light water reactors if North Korea completely abandoned all nuclear plans, returned to the Nuclear Non-proliferation Treaty (NPT), and accepted security measures of the International Atomic Energy Agency (IAEA).

However, there was a large difference in the positions of the United States and North Korea concerning the order of North Korea's abandonment of nuclear plans and the provision of light water reactors. The Bush administration, which faced an accumulation of domestic issues such as the Hurricane Katrina problem, wanted at least to avoid the breakdown of the six-party talks. So, the Bush administration imposed full-scale controls on counterfeiting and drug exporting by North Korea and boosted pressure to induce North Korea to attend the next six-party discussion.

Meanwhile in South Korea, in his address on the state of the national administration in February 2005, South Korean President Roh Moo-Hyun proposed the so-called "balancer theory" where South Korea is positioned as the "balancer" in Northeast Asia, thereby distancing South Korea from the United States and Japan. In fact in April, the South Korean military sought to cancel the Strategy Plan 5029 for emergencies on the Korean Peninsula that was suggested by the US military on the grounds that it would lead to limitation of South Korea's sovereignty.

Given these circumstances, the United States steadily pushed forward the reorganization of US forces in South Korea and resolved long-standing problems such as the relocation of the Yong San military base and the special agreement on defense cost sharing. At the US–South Korea Summit meeting (held in Washington, D.C.) in June, US President Bush emphasized that the two countries shared the goal of a nonnuclear Korean Peninsula and were of the same voice on important problems. In response, South Korean President Roh, while saying that they were in complete agreement on basic principles, also maintained a certain distance as before, stating one or two problems remained, but it was possible to fully resolve them through dialogue.

However, when US President Bush visited South Korea in November, it was decided to launch "strategic talks for an allied partnership relationship," and in January 2006 agreement was reached on "strategic flexibility"

to use the US troops in South Korea outside of the Korean Peninsula. This was stimulated by the reorganization of US troops in Japan. South Korea was swaying between its desire to be independent of the United States and maintenance of the US–South Korean alliance. US President Bush responded to this in a practical manner, and made an effort to bring the North Korean policy into line.

### *US-China Relations*

On March 14, 2005, Anti-secession Law was ratified by the Standing Committee of the National People’s Congress (NPC). The law was designed to protect national sovereignty and territorial integrity by “non-peaceful and other necessary means” against “secessionist forces” that aimed for an “independent Taiwan.” In response, the conservative faction within the United States reacted strongly, and the Bush administration indicated concern that this would cause tension in China-Taiwan relations. In August, China implemented its first joint military exercise with Russia, Mission for Peace 2005, on Shandong peninsula, and there is a strong opinion that this was done with a military advance into Taiwan in mind. Nearly 10,000 Chinese and Russian troops participated in the exercise.

However, as stated above, China has played an important role as a mediator in the six-party talks, and it is conspicuously increasing its impact both politically and economically in the East Asian region. So, the Bush administration must also maintain good relations with China.

At the special summit meeting at the UN General Assembly in September, US President Bush held talks with Chinese Premier Wen Jiabao. In Beijing, the six-party talks had resumed, and both leaders agreed to cooperate to advance those talks. Meanwhile, regarding the fact that the Chinese government had revalued the renminbi by approximately 2 percent, President Bush said it was a good first step but that more flexibility was needed. This was because pressure was building in the US Congress. In response, Premier Wen showed consideration for the United States and mentioned expanding imports of US goods and strengthening protection of intellectual property rights. With regard to the Taiwan problem, when Premier Wen sought understanding of China’s position, President Bush responded that the United States would not permit any attempt to change the current situation, and moreover, it did not support independence.

In November, President Bush visited Beijing. At this time, China announced that it would purchase 70 passenger jets from the US

company, Boeing, and at the summit meeting, Premier Wen downplayed the idea that China was a threat, saying China was peaceful, open, and cooperative in its development. President Bush also said that the US-Chinese partnership was important, but at the same time, he sought greater political and religious freedom from China and suggested the improvement of relations between Japan and China. In a policy address prior to this in Kyoto, President Bush indicated the understanding that if the door of freedom begins to open as a result of economic reform, even if only a little, it will not be able to close again.

Guiding China so that it fills a constructive role in international society as a responsible stakeholder—this is the Bush administration's basic stance. However, there are persistent concerns over the increase in China's military power. According to the *Annual Report to Congress: Military Power of the People's Republic of China 2005* released by the US Department of Defense in July, China's defense expenditure is estimated at US\$60 to US\$70 billion, placing it second in the world after the United States. The report also points out that, if the modernization of the Chinese military continues long term, it may be a threat to other modern military powers (namely, the United States) deployed in East Asia.

The *Quadrennial Defense Review* (QDR) released by the US Department of Defense on February 3, 2006, is more direct, stating that China is the greatest potential competitor, in military terms, for the United States. Moreover, in the State of the Union Address that year, President Bush named China and India as possible economic rivals to the United States. "Responsible stakeholder" or military threat? These two images of China are competing in the minds of those in the Bush administration, the US Congress, and the media, and this situation seems likely to continue for the time being.

### ***US-Japan Relations***

US-Japan relations are extremely good superficially. In February 2005, after President Bush's election to a second term, the first US-Japan Security Consultative Committee (two plus two) was held in Washington, D.C., and 13 joint strategic objectives were announced. In particular, attention was on the item that called for promotion of a peaceful resolution through dialogue on the Taiwan Straits problem, which was included at the strong request of the United States. It was also decided to reach a decision within several months on the issue of reorganization of US forces in Japan.

At the US-Japan ministerial meeting in May, US Secretary of State Rice suggested that the discussion be deepened at the high-ranking official level while spearheading the US-Japan strategic dialogue at the Cabinet level, and in June in London the first high-ranking official meeting was held. That same month, US Secretary of Defense Rumsfeld and Director General of the Japanese Defense Agency Isao Ono met in Singapore, and confirmed that they would compile an interim report as quickly as possible on the reorganization of US forces in Japan and reach a conclusion by the end of the year. A plan was set forth for joint development of a missile self-defense system using next-generation interceptor missiles based on the Aegis destroyer.

Subsequently in Japan there was political disorder due to the privatization of the postal system, the dissolution of the Lower House, and a general election, but following the overwhelming victory of the Liberal Democratic Party, attention again turned in September to the issue of reorganization of US forces in Japan. In particular, there was a difference in opinion over the relocation of the Futenma Base between the Japanese Self-Defense Forces and the US Department of Defense. However, the US side made concessions and agreement was reached on coastal area of Camp Schwab. On October 29, the Two Plus Two meeting was held again in Washington, D.C., and an interim report on reorganization of US forces in Japan was presented. The report advocated reduction of the burden placed on the local area while simultaneously outlining the strengthening of cooperation between the respective headquarters of the US forces in Japan and the Japanese Self-Defense Forces as well as the joint usage of military bases. Through this, the environment was prepared for President Bush's visit to Kyoto in November.

At the US-Japan Summit meeting in Kyoto, the domestic positions of each of the leaders were in contrast. This was because, whereas as Japanese Prime Minister Koizumi has won an overwhelming victory in the Lower House elections, US President Bush was suffering from a declining approval rating. First, both leaders agreed on the early realization of reorganization of US forces in Japan. Prime Minister Koizumi made a de facto declaration that the period of stay of the Japanese Self-Defense Forces in Iraq, which was due to finish in December, would be extended; moreover, he made it clear that there was a prospect of lifting the ban and resuming imports in December of US beef which had been halted due to BSE (bovine spongiform encephalopathy). This was a summit meeting that actively produced US-Japan accord.

However, US-Japan relations were not at all tranquil. During the summit meeting in Kyoto, it is said that President Bush privately expressed concern about the US-Japan relationship being stressed due to the Yasukuni problem, etc., and immediately following the resumption of US beef imports to Japan, imports were again banned due to mismanagement on the US side. Moreover, the Koizumi cabinet did not receive the active support of the Bush administration regarding Japan's securing of a permanent seat on the UN Security Council.

Prime Minister Koizumi is scheduled to step down in September 2006, and in November, interim elections will be held in the United States. What has been called the "golden age" in US-Japan relations may be in for a change.

### ***Southeast Asia***

Led by the 10 countries of the Association of Southeast Asian Nations (ASEAN) and the countries of Japan, China, and South Korea, the concept of the East Asian Community is taking shape. In December 2005, the first East Asia Summit was held in Kuala Lumpur.

However, the Bush administration is cautious lest this movement is led by China and the United States is excluded. In the Asia-Pacific Economic Cooperation (APEC), the United States is also a major member, but there is a possibility that APEC will become a dead institution in the concept of the East Asian Community. The Bush administration favored the participation of India, Australia, and New Zealand as constituent members of the East Asia Summit, in part to help restrain China, and with Japan's cooperation, this was achieved. The intent behind the Bush administration's emphasis on the values of freedom and democracy is to counterbalance this kind of regionalism.

### ***South Asia***

In July 2005, Indian Prime Minister Manmohan Singh visited Washington, D.C., for the US-India Summit with President Bush. Both leaders emphasized their countries' "strategic partnership" and agreed to pursue cooperation in the nuclear field. Before Prime Minister Singh visited the United States, agreement was reached on a New Framework for US-India Defense Cooperation. Naturally, this agreement was made with the rise of China in mind. Keeping pace with the cooperative relationship between the United States and India, Pakistan's Musharraf administration also pursued the path of "multiple dialogue" with India.

However, the Bush administration did not support India's acquisition of a permanent seat on the UN Security Council, and in his State of the Union Address in January 2006, President Bush stated that India may become an economic rival, together with China. Thus, there are both cooperation and friction in US-India relations.

### *Issues in 2006*

In 2006 the Bush administration is likely to pour its energy in the interim elections in November. This is because, if defeated, its last days will be spent as a lame duck administration. Given this, the United States' Asia policy is likely to be even more affected by domestic affairs. Already, trade and energy issues have become serious points of friction between the United States and China.

With visible unease in US-China and US-South Korea relations, the Bush administration's expectations of Japan are growing. The question is whether the post-Koizumi Japanese administration is capable of responding to these expectations. If Japan continues to create friction with neighboring countries due to the Yasukuni problem, etc., it will be a negative factor for the United States, and the agreement on the relocation of the Futenma Base will lead to US disappointment if the implementation of the relocation in Japan is delayed. Moreover, as stated at the beginning, there is a shortage of the experts on Japan who supported the Bush administration during its first term. US-Japan relations are headed toward a new phase in the future.