Despite the beginning of the new millennium, some fundamental policy dilemmas in U.S. relations with China and Japan remain unsettled and have implications for Korean security. One of the principal foreign policy challenges for the United States during the 1990s has been how to give China implicit recognition for its rising status and influence and assuage its deep-seated suspicions that America’s post-Cold War alliance with Japan was targeted at it, while at the same time offering Japan security commitments and credibility and strengthening the U.S.-Japan alliance.

China’s policy conundrum since the Tiananmen Square incident in 1989 has been that the United States remains the country that is most important to its economic development and foreign policy but, at the same time, is posing the greatest threat to continued communist rule in China and to prospects for reunification with Taiwan. Finally, although U.S. alliance ties with Japan and the Republic of Korea (ROK) are strong and are likely to remain so in the foreseeable future, will they continue to be robust enough to withstand future regional challenges and crises in which the “China factor” looms largest?

These security uncertainties and policy dilemmas have combined to produce sophisticated and multi-faceted hedging strategies by the states in that region, as the recent increase in high-level diplomatic and military-to-military contacts shows. In particular, concerns about how best to cope with the challenge of an ascendant China to regional prosperity and security have occupied these states’ strategic plans. Korea is no exception to this trend.

To assess the security implications of China’s modernization of its Peoples’ Liberation Army (PLA) for U.S. allies in East Asia, it is first necessary to take stock of the linkage between Sino-U.S. relations and the relations of both countries with Korea and Japan. In light of the sustained discord between the United States and China in the 1990s, their policies and interests concerning the Korean Peninsula are far more likely to diverge than to converge in the future, especially when it comes to concrete policy issues and longer-term agenda. This reality could complicate Korean security planning, because that requires cooperation—or at least acquiescence—on the part of both the United States and China to resolve an array of relevant issues. Korea’s optimal approach would be to continue to differentiate how it relates to the United States and China, even if it continuously and systematically pursues a specific set of confidence-building measures (CBMs) with the latter.
Diverging U.S. and Chinese Interests in Korea

One useful way to assess the future of East Asian stability—in light of the perceptions of the states in this region about security uncertainties—is to inquire about the health of the Sino-U.S. relationship. China and the United States are the two most powerful actors in that region as well as on the Korean Peninsula. Ideally, an amicable relationship between the United States and China, especially renewed security cooperation, would contribute to regional and peninsular stability and the attainment of their respective objectives in East Asia.

In reality and contrary to popular belief, the prospects for improved Sino-U.S. relations remain cloudy, if not bleak, for the foreseeable future. Few of their outstanding issues—including the status of Taiwan, human rights, trade, nuclear espionage, and proliferation—show signs of early or conclusive resolution. On the contrary, there seem to exist some fundamental differences between the two countries—primarily in terms of their political systems, social values, and strategic objectives. Given the ongoing and internal political dynamics in Beijing and Washington, compromise on these differences will be difficult to achieve in the near term.

Since the Tiananmen incident in 1989, there has been widespread discussion—accentuated by events in 1999—among Chinese strategists and scholars over how to assess a series of “adverse currents” in China’s external security environment and what kinds of policy options Beijing should choose to cope with these currents, separately or collectively. One of the few emerging consensus opinions in China—at least discernible to the outside analyst—is that U.S. global “hegemonic” behavior is the source of the threat to “world peace” (i.e., China’s interests).

Such U.S. global behavior, some Chinese leaders and strategists conclude, clashes directly with China’s national interests (such as economic priority, reunification with Taiwan, and continued rule of the Communist Party) and strategic visions (such as multipolarity, anti-hegemony, anti-power politics, and the Five Principles of Peaceful Coexistence). In particular, U.S. regional “hegemonic” behavior in East Asia—the locus of Chinese diplomatic and economic activity—includes the strengthening of the U.S.-Japan alliance and their joint development of theater missile defense (TMD), and, most seriously, its continued weapon sales to Taiwan.

The depth of Beijing’s fear of an American dominated world is manifest in such newly minted code phrases as “new hegemonism,” “the Asian edition of NATO,” “a global intervention mechanism,” “Asian Kosovo,” and “the next Serbia.” Particularly worrisome to China’s leadership is a possible connection between the strengthened U.S.-Japan alliance and the Taiwan question, from the scope of regional contingencies in “areas surrounding Japan” to TMD and Taipei’s overall relations with Washington and Tokyo. In short, China finds the prospects of a re-armed Japan unnerving and a Taiwan armed with TMD unacceptable. The United States is the key link to either of these scenarios.

The Korean Peninsula also occupies a central place in the crowded bilateral and regional agendas of the United States and China. Despite the long list of their disputes at both levels, China and the United States have time and again argued—at the official and declaratory level, at least—that they share a set of common interests over Korea—namely stability on the peninsula, dialogue between the North (the Democratic People’s Republic of Korea) and the South, and peaceful reunification. Yet, in light of their vast differences in strategic visions, political systems, social values, and objectives, let alone diverging interests over bilateral and regional issues, it is far more logical and more empirically valid to say that the United States and China are likely to remain divergent over peninsula issues as well. Beneath the façade of the “strategic constructive relationship,” their interests could significantly conflict with one another over some concrete issues and longer-term agendas. Prominent examples include, but are not limited to, a North Korean contingency, future status of the U.S. force in Korea, the North’s possible possession of weapons of mass destruction (WMD), and the military capability and strategic orientation of a unified Korea.

The U.S. commitment to Korean defense and unification remains strong and is highly likely to remain so in the future. But their divergent perceptions of (and policies toward) a series of recent North Korean crises illustrate that the South Korean and U.S. Governments need to coordinate their policies toward North Korea more tightly and coherently in the future. For example, the emphasis on a “soft landing”—which is not a policy—may mitigate the consequences of an economically crippled North Korea, but
it by no means constitutes a viable long-term strategy for either alliance maintenance or regional security. On the contrary, as long as this concept persists, both the ROK and the United States will not only be subject to various domestic criticisms, primarily for being “soft” on North Korea’s brinkmanship, but also their policy toward North Korea will remain adrift as a consequence.

This does not bode well for the long-term development of the U.S.-ROK alliance, especially if the parties have to prepare for the day when they “run out of enemies.” Korea needs to take into consideration these kinds of specific policy issues and longer-term questions when formulating its strategic plan for the future security environment.

The “China Factor”

Fundamental to understanding the importance of the China factor in the South Korean security calculus are:

- China’s geographical proximity to the Korean Peninsula,
- China’s continuing influence on North Korea,
- Growing bilateral ties between China and South Korea, and
- Strained relations between Beijing and Washington.

China is certain to remain a major player in Korean affairs, including the unification process. To understand why, a brief overview of Sino-South Korean relations leading to normalization in 1992 and China’s place in the South’s diplomatic and security calculus in the post-Cold War period is necessary.

For most of the Cold War, relations between China and South Korea were locked in mutual hostility and suspicion. The Chinese intervention in the Korean War, the bipolar configuration of the world’s power structure, and China’s continuing rivalry with the Soviet Union for influence over the Korean Peninsula made relations between the ROK and Beijing a negligible factor for three decades after the cessation of hostilities on the peninsula. Because China recognized North Korea as the only Korean state on the peninsula, there were no contacts between South Korea and China until the late 1970s.

Toward the end of the 1970s, however, two principal developments presaged major changes in China’s traditional stance toward North and South Korea. One was China’s adoption of reform and the “open door” policy in 1978, which allowed unofficial and indirect trade between China and South Korea to begin, albeit slowly. During the early to mid-1980s, China gradually but unmistakably pursued a de facto “two-Korea” policy, which included cultural, academic, and sports contacts with South Korea. Another principal development was the improvement in Sino-Soviet relations in the mid- and late 1980s, which undercut the rationale behind their rivalry over North Korea.

By 1988, the growth of still unofficial but substantial ties between China and South Korea made their improving relations unmistakable. Indirect trade between the two countries exceeded $3 billion; China participated in the Seoul 1986 Asian Games and 1988 Olympics; and the ROK government announced a major diplomatic initiative known as “Northern Diplomacy,” or *nordpolitik*. Northern Diplomacy, in particular, was aimed at creating a condition favorable to peaceful unification of the Koreas through improved ties with then-socialist countries. Beginning with Hungary in January 1989, South Korea established diplomatic relations with all East European states, the Soviet Union (September 1990), and China (August 1992).

For Beijing, the primary factor motivating the decision to normalize relations with South Korea was the domestic economic imperative. The passing of the Cold War not only enhanced the value of economic ties with South Korea, but also saw the end of the Sino-Soviet/Russian rivalry over North Korea. Another important motive for Beijing was to expand China’s diplomatic influence across the region—which had suffered from post-Tiananmen isolation—by consolidating ties with neighbors such as South Korea, a major regional U.S. ally.

To the government in Seoul, normalizing relations with China was a diplomatic tour de force. First and foremost, normalization helped culminate its Northern Diplomacy initiative and symbolized its victory in the decade-long diplomatic competition with North Korea. Furthermore, the ROK hoped normalization would help to bring China’s influence to bear on North Korea to facilitate dialogue with the South, open up its society, and restrain its provocative actions against the South. Less immediate but still important considerations were the economic and political benefits that flowed from Seoul’s strengthened relations with China.

Sino-South Korean relations have expanded rapidly on most fronts. Bilateral trade reached $6.4 billion
in 1992, the year that diplomatic relations were established. Bilateral trade for the past three years reached $23.7 billion, $18.4 billion, and $20.2 billion, respectively, making China and South Korea each other’s third largest trading partner. Over half a million people visit the other country annually, and passenger airlines now make about 100 round-trip flights over the Yellow Sea each week. By the end of 1998, over 1,500 Korean companies were operating in China, and numbers of registered, long-term Korean residents in China exceeded 35,000, including 12,000 students.

Growing economic and social ties between China and South Korea are further buttressed by an increase in investment, tourism, and sea/air routes. To help consolidate these growing ties, the three most senior Chinese officials (President Jiang Zemin, Premier Li Peng, and CCP Standing Committee member Hu Jintao) have visited Seoul. These remarkable developments between the two nations over the past few years have led to a shift in the South Korean public’s perception of China as now a benign, pragmatic economic partner.

Regarding how this new perception of China affects the U.S.-ROK alliance, a recent series of surveys of the Korean public, media, and policy elite indicates that the public remains “somewhat critical” of the United States and “fairly friendly” toward China. However, members of the ROK policy elite air the opposite view—that is, they are “somewhat critical” of China and “fairly friendly” toward the United States. The media are divided between “progressive” (pro-China) and “conservative” (pro-American) newspapers, even if the majority of all major Korean newspapers are critical of U.S. trade policy toward Korea. Interestingly enough, younger Koreans, who are most vocal about U.S. policy toward Korea, have consistently supported the continued presence of the U.S. military force in Korea for security and other practical reasons. A vast majority of the Korean public and elite, on the other hand, have responded that China’s influence over peninsular affairs would grow in the future and that Korea’s military-to-military exchanges and cooperation with China should be expanded.

In the so-called “military exchanges and cooperation” area, there have been more frequent, regular, and higher-level visits between the two countries in recent years. In August 1999, in particular, ROK Minister of National Defense, Cho Seong-Tae, made a visit to China to attend the first-ever ROK–PRC Defense Ministerial Talks with his counterpart, General Chi Haotian. General Chi reciprocated with an official visit to Seoul in January 2000, which made him the highest-ranking Chinese officer to visit that capital in the history of Sino-South Korean military relations.

In the early years after normalization of relations in August 1992, it became increasingly clear to observers of Sino-South Korean relations that Korea’s two specific sets of goals for China policy—i.e., facilitating inter-Korean relations and improving bilateral ties with China per se—remained largely independent of one another. Moreover, most Korean observers concluded that no appreciable outcomes had resulted from its political or security relations with North Korea or with China. In light of the remarkable and more balanced developments in economic, diplomatic, and military ties between South Korea and China in recent years, however, the earlier assessments should be revised to focus on the longer-term consequences of a close Sino-South Korean relationship for the United States, China, and Korea.

The changing strategic environment reflects increased uncertainties about the future U.S. and Chinese roles on the peninsula and in the region, as well as South Korea’s continued concern about the security challenges North Korea poses. It is against this backdrop of regional uncertainty that China’s military modernization should be assessed.

Implications of PLA Modernization

China’s actual and perceived ability to project power along and beyond its borders has a direct bearing on whether it will achieve its foreign policy goals and act to destabilize regional security. An adequate assessment of China’s power projection capability should go beyond the examination of conventional “bean counting”; it also should involve a comprehensive analysis that is as detailed as possible regarding capabilities, such as in long-distance operations, C4I, air- and sea-lift, missile defense, logistics, and joint and combined operations. As this analysis is done capably elsewhere, the following discussion surveys the PLA’s ongoing efforts in this area.

Power projection capability can be defined as a relative military capability to launch and to sustain combined combat operations at a reasonably long distance and over a long period. By this rigorous definition, China currently and for the next decade or more lacks critical capabilities in projecting force over a
long distance. Even in conventional categories such as weaponry, the PLA inventory is roughly 10 to 20 years behind that of advanced Western militaries.

On the other hand, the PLA has gradually but considerably improved its fighting capability over some fifteen years, through an across-the-board defense modernization program in command and control, organization, weapons systems, education, and training. Since 1990, in particular, it has been procuring new weapons domestically and advanced systems from abroad, most notably from Russia.

On balance, however, the PLA remains an antiquated force compared with many of its neighbors’ militaries, let alone those of its advanced Western counterparts. Occasional improvements in the PLA’s naval and air capability make their way into newspaper headlines in China and elsewhere, but they are not integrated into an overall fighting capability, and they primarily reflect stated goals rather than actual qualitative changes.

The PLA Navy (PLAN) has placed a priority on defense modernization since the early 1980s, as China’s reform and open-door policies significantly elevated the importance of protecting China’s maritime interests in overall national development and security planning. The PLAN’s capability to conduct and to sustain long-distance operations is quite limited, however. Among the 18 destroyers and 35 frigates it currently operates, approximately 10 are judged to be relatively modernized. They are deprived, however, of effective defense systems and electronic countermeasures. For example, the Luhu and the Jiangwei are indigenously designed, second-generation vessels, which are better equipped than their predecessors in terms of engines, command and control, and armament. But they reportedly lack several sophisticated pieces of equipment, such as electronic support measures (ESM), electronic countermeasures (ECM), and air defense systems, which might expose them to enemy attack in sustained, high-sea missions. Similarly, the PLAN’s submarine force remains seriously outmoded, despite its full inventory of over 100 submarines. It is not known how many of them are actually operational at any time, but they seem increasingly likely to spend longer maintenance hours at the docks. To the Chinese aging submarine fleet, the Russian Kilos would be a significant addition. Two export-version Type-877EKMs and two of the more advanced Type-636 Kilos were delivered to China by the end of 1998.

Overall, the PLAN’s vessels are mostly outdated and lack anti-air, anti-ship, and anti-submarine defense systems as well as modern radar and electronic equipment. Furthermore, the PLAN has not yet conducted long-distance naval exercises, and its replenishment at sea (RAS) capability is believed to be rudimentary. Given the lack of effective air cover, the PLAN’s vessels remain dangerously exposed to enemy air and surface attack if they were to operate far from shore.13

The long list of advanced systems and technologies that the PLAN has purchased recently or shown considerable interest in obtaining—including the Sovremenny-class guided-missile destroyer (the Hangzhou), the A–50 airborne early warning and control aircraft, airborne radar systems, and anti-ship cruise missile technologies—indicates that PLA leaders understand fully the glaring deficiencies in the application of its naval power.14 The PLAN is doubtless committed to developing and acquiring high-tech naval systems and technologies, but a considerable amount of time and resources will be needed to bring this objective to fruition.

The quantitative superiority of China’s submarine force remains a concern to other nations, but the noise of the submarines makes them vulnerable to detection by a variety of anti-submarine capabilities. The current limitations in PLAN naval weapon systems and electronic equipment, naval air power, and RAS capability—let alone the fact that it has no carrier force—will deprive it of an effective long-distance operational capability for many years to come.

The least modernized service branch is the PLA Air Force (PLAAF), despite its huge inventory of over 5,000 different types of aircraft. Compared with its counterparts in neighboring countries, this is especially the case. Together with the 3,000 J–6s, China’s version of the Soviet MiG–19, virtually all of its domestically manufactured combat aircraft are based on 1950s- and 1960s-vintage technologies.

PLA leaders are well aware that air power plays a crucial role in modern warfare and that the air force is the most technologically oriented service in the armed forces. But China’s relatively backward aviation industry has long failed to meet PLAAF requirements. Intermittent contacts with selected Western aircraft manufacturers in the 1970s and the 1980s produced no breakthroughs in either upgrading its existing inventory or developing a new generation of fighter aircraft.
On the other hand, the current PLA strategy of fighting “local wars under high-technology conditions” will require rapid mobility and effective firepower for contingencies along and beyond its borders. The PLAAF obviously has been ill equipped to meet the new challenges. Thus, it is the gap between the doctrinal requirements and the existing aircraft inventory that sharpens the sense of urgency among the top leaders of the PLA. Air force modernization has received a top priority in Chinese defense plans and foreign weapons acquisitions, especially purchases from Russia.

Although China has been in the process of acquiring several different types of modern combat aircraft over a long period of time, of particular importance is the J–10 (XJ–10) and the Su–27. Recent reports indicate that the prototype of the J–10 has been developed by the Chengdu Aircraft Corporation with Israeli assistance and that the first flight test would be made soon. But the details of the J–10 program and the Israeli involvement are largely shrouded in secrecy, partly because of Israel’s transfer of aircraft subsystems and technologies. In addition to the 26 Su–27s acquired in 1992, China secured an additional 22 Su–27s in 1996 with an agreement to license-produce the Su–27s in China.

To build a modern air force, it is also necessary for the PLAAF to acquire a wide array of advanced capabilities that could multiply the effectiveness of air operations. Included in this category are various C3I, airborne early warning, surveillance, and mid-air refueling capabilities. These assets remain China’s top priority in preparing for high-tech warfare, yet it would take many years for Beijing to acquire and to field such force multipliers.

Until then, in a future air campaign against the modern air forces of China’s neighbors, the PLAAF’s outmoded aircraft will be rigorously tested. Even worse, the combat readiness of the PLAAF forces is known to suffer from insufficient flying hours, lack of combined operations, and limited repair and ground logistics support. The prospect that the PLAAF could significantly improve its air power by the year 2010—even with Russian technological assistance—is not bright. Before then, if it were to attempt to overwhelm a rival air force with a large number of aircraft compared with regional militaries, losses could well be severe.

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major nuclear and missile modernization programs, which predate the post-Cold War period, is evident in all three branches.

Future improvements in China's nuclear capability would reinforce its nuclear weapons' minimum deterrent value and even facilitate a nuclear doctrinal shift to "limited deterrence." As long as China aims at improving the level of technological sophistication of its nuclear arsenal to that of advanced Western nations, it may be reluctant to join the international arms control and disarmament process. It could also try to retain as much as possible the military value of its nuclear and missile programs, which compensate for the lack of air power.

In the foreseeable future, the chance of a nuclear threat to China is extremely low. But its nuclear and missile capability provides China with the international status and prestige to which it should be entitled. Thus, China's nuclear and missile modernization programs will continue to be a source of concern for international nonproliferation, arms control, and regional security. In particular, the psychological impact of China's nuclear and missile capability is more likely to fall on its neighbors than on extraregional powers. China remains strongly opposed to neighboring countries' deployment of missile or strategic defense systems, which could dilute the military value of its nuclear and missile capability.

On balance, the PLA's power projection capability will take at least a decade or more to materialize. Although the current military strategy emphasizes the continued development of this capability, to equate China's growing military capability with an intention to resolve by force outstanding issues with its neighbors would be incorrect.

**China vs. U.S.-Japan-Korea: A Future Strategic Configuration in East Asia?**

Despite its own global pretensions, China remains a regional power in Asia. Chinese foreign policy and security concerns also revolve around Asia, where its current and future capability to project power is limited, rarely reaching remote areas of the globe. Thus, Beijing feels most threatened by events close to the homeland, such as those involving Taiwan, Japan, and Korea. In light of China's new anti-American tone and the extent of its involvement in potential East Asian areas of tension, the United States, Japan, and Korea should consider Chinese sensitivities in their three-way cooperation for security or in their bilateral interactions with China.

**The U.S.-Japan Alliance**

Probably the most fundamental dilemma China has faced in the post-Cold War era regarding the future direction of the U.S.-Japan alliance is that it wants that alliance neither too tight and strong nor too loose and weak. If too loose, it could eventually lead to Japan's more independent posture in East Asia—a Damocles' sword in Chinese eyes. Too tight an alliance, on the other hand, means China's disadvantageous position vis-à-vis the United States and Japan. Throughout the 1990s, however, Chinese strategists have had good reason to worry about the latter.

In terms of future regional stability, questions in the late 1990s concerned the type of relationship that would develop between the two major regional powers. It would be either strong and cooperative or weak and confrontational. In addition, the diverse yet uncertain impact of this evolving relationship on the future of East Asian security is unclear, particularly in light of the absence of a unifying Soviet threat and a continued U.S. policy dilemma vis-à-vis Japan and China.

Despite their huge and growing stakes in maintaining an amicable relationship, China and Japan will continue to have difficult and often tense relations. The persistence of their traditional rivalry and long distrust suggests that their relations may have more to do with deeply ingrained cultural, historical, and perceptual factors than with the dictates of economic cooperation or shared interests in regional stability, which are mutually beneficial. Also underlying their complex but competitive ties are fundamental differences in terms of their political systems, social values, and strategic objectives in Asia and beyond. As befits their traditional rivalry for regional influence and their present-day status as the two most powerful East Asian states, Japan and China have a broad range of bilateral concerns. Many scholars note that the enduring dual images of superiority and inferiority permeate their perceptions in ways that often make official and public perceptions of the countries and each other different, divergent, and distorted. They also note that currently there seems to be no strong constituency in either China or Japan to promote their lasting friendship and cooperation. In a recent study on Japan's cultural diplomacy toward China, Diana Betzler and Greg Austin convincingly argued that “the
main impulses for official interaction between the two countries [China and Japan] remain outside what might be called the popular imagination.\textsuperscript{22}

Regular high-level visits between the countries, such as President Jiang Zemin’s visit in November 1998 and Prime Minister Obuchi Keizo’s in July 1999, emphasized that the countries need to put aside their historical enmities toward each other. Moreover, growing bilateral trade and investment activity is largely restraining open criticism of each other. Military diplomacy reached a new level in the 1997–1999 period, including frequent military-to-military contacts, an accord on maritime accident prevention, and plans for future joint drills and port visits. But the traditional rivalry and historical distrust still linger.\textsuperscript{23}


China has always been wary of Japan’s expanded regional role, of course, but this time it would like to know whether the phrase about “situations in areas surrounding Japan” includes Taiwan—a controversy that recurred during and after the final revision of the new Guideline in September 1997. Given Chinese and other neighboring nations’ sensitivity on Japan’s regional security role, Japan’s official policy on this issue seems to be “not [to] offer a specific definition,” echoing the U.S. position that the scope of the new Guideline is “situational, not geographical.”

China sees the U.S.-Japan security ties as crucial in restraining Japanese military power and in maintaining regional stability. Beijing adamantly opposes the revised Guideline on the grounds of a possible U.S.-Japan collaboration in a Taiwan crisis and Japanese militarism.\textsuperscript{24} However, despite China’s pessimistic view of the revised Guideline and the U.S. role in post-Cold War East Asia, China is well aware that U.S.-Japanese security relations remain the primary linchpin of the current stability in East Asia. In addition, Chinese analysts believe that the disappearance of the common foe and new dynamics in American and Japanese domestic politics could lead to a further redefinition of U.S.-Japanese security relations in the years ahead. The so-called “double containment” role of U.S. forces over Japan’s possible unilateral military role is largely seen in a positive light among many Chinese security analysts, even if not without debate.

In a litchi nutshell, notwithstanding the remaining regional controversies over the interpretation of “areas surrounding Japan,” the NDPO and the new Guideline are steering Japan’s security role and policy toward a new direction, which may enhance common regional security if it is guided by prudence.

The U.S.-Korea Alliance

There is no doubt that a combined South Korea-U.S. deterrence against a possible North Korean attack—a wider assault rather than a conventional full-scale war—remains the U.S.-ROK alliance’s primary security mission in the foreseeable future. As long as the North Korean military threat persists, any ROK and U.S. efforts to engage China should complement the goal of deterrence. Additionally, the ROK and the United States should seek to bring Chinese influence on North Korea to bear in achieving common interests on the peninsula, namely continued peninsular stability, improved North-South Korean relations, and North Korean economic reform. Mutual understanding would not only offer a potential solution to the current stalemate in North-South Korean relations but also create a favorable condition for peaceful unification of Korea.

However, China’s more confrontational posture toward the United States and Japan is likely to continue for years to come. A sustained confrontation between the regional superpower and the global superpower could sharply exacerbate their differences over a host of peninsula-related and regional issues. In particular, China’s growing influence over and interdependence with South Korea despite the rivalry between the United States and China could well make untenable the proposition that the countries can cooperate to resolve a myriad of concrete policy issues and longer-term questions on the peninsula. South Korea’s balancing act between its alliance with the United States and its cooperation with China, in short, could well turn out to be the most prominent security challenge of the 21st century.

To avoid possibly stark strategic decisions, South Korea should be able to “walk on two legs”—to paraphrase the Maoist slogan—by maintaining a strong security relationship with the United States while...
charting out a long-term, comprehensive strategy toward China. This envisions post-unification relations between Korea on the one hand and the United States and China on the other.

South Korea’s economic cooperation with China, augmented by increased diplomatic and cultural contacts, is essential for the expansion of bilateral ties. Military-to-military relationships need to be set up as well. Given the current and expected influence of the PLA in Chinese domestic and external policies, it seems only prudent for the ROK to foster personal ties and eventual institutional relations with the Chinese military gradually. In addition, South Korea needs to formulate a panoply of security and confidence-building measures (SCBMs) that are specifically designed to address China’s potential concerns, such as a unified Korea’s intention to promote friendly relations with China, the creation of a buffer zone in and joint development of Sino-Korean border areas, and the establishment of a three-way security dialogue among China, the United States, and the unified Korea.

U.S. Policies Toward China

For its part, the United States should continue to pursue the strategy of comprehensive engagement with China, especially in areas of mutual benefit (such as Chinese economic reforms and trade). Additionally, America’s China policy must be firmly linked to its overall Asia policy, carefully weighing the costs and benefits of the former to the latter. Conflict between the two policies would require strong political will and leadership in Washington to resolve.

Finally, the United States must differentiate national interests from universal values, strategic flexibility from policy reversals, and long-term goals from short-term gains. If and when the above efforts yield no reciprocity from the Chinese, the United States must consider alternatives to its strategy of comprehensive engagement, although the consequences may be difficult to predict.

All in all, to advance the longer-term goal of a stable and prosperous East Asia, not only should the United States and East Asian nations recognize China’s differing yet often legitimate security requirements, but they also should make genuine efforts to build confidence with China, which is time-consuming but the least threatening way to make China more transparent. The paths China and the United States choose will influence East Asia’s regional economic and security developments as well as the individual states’ strategic soul-searching.

Notes

5 See footnote 3 above.
6 Tom Plate, “East Asia Racing into Arms Escalation,” South China Morning Post, July 10, 1999, 10.
8 Data for 1999 include January through November.
10 For a comprehensive treatment PLA military diplomacy in the 1990s and China’s military relations with both Koreas, see Kenneth Allen and Eric A. McVadon, China’s Foreign Military Relations (Washington, DC: The Henry L. Stimson Center, October 1999), especially 66–68.
11 C1 refers to command, control, communications, and intelligence capabilities.
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