



Backgrounders

Executive Summary

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PRESIDENT BUSH'S TRIP TO ASIA: PROMOTING SECURITY, PROSPERITY, AND PEACE

JOHN J. TKACIK AND BALBINA HWANG

When President George Bush travels to Tokyo, Seoul, and Beijing from February 16–22, his key priority will be security, followed closely by economic issues and the peaceful resolution of conflicts. North Korea's relentless efforts to produce and proliferate weapons of mass destruction (WMD) threaten all of these objectives, and the President will likely raise this issue in each capital. By identifying North Korea as part of an "axis of evil," sacrificing millions of its citizens to starvation while feeding its military programs, he has issued a bold challenge to Asian leaders to confront North Korea's growing threat to regional and international security and declared that its behavior can no longer be tolerated.

The South Koreans and the Japanese are gravely concerned, but Seoul blames U.S. rhetoric for the stalled North–South dialogue. China's leadership is uneasy but loath to alienate one of its last ideological soul mates by bowing to international pressure.

President Bush needs to build consensus in Tokyo and Seoul on getting Pyongyang to abide by its United Nations nuclear inspection commitments and to reciprocate South Korea's attempts at good-will dialogue. In Beijing, he must confront China's

destabilizing proliferation activities while reassuring Beijing that America and China can work together, "in ways we have never before, to achieve peace and prosperity." He must make the case that "in every region, free markets and free trade" and, most important, "free societies" lift people's lives. The President is aware that China still proliferates WMD and technology, which makes it part of the problem. A measure of his success will be whether he can make China part of the solution as well.

The visits will be counted as successes if President Bush promotes constructive economic reforms by Japan, firmness in South Korea's management of relations with the North, and moderation in China's foreign policies and reforms of its human rights and trade behavior.

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AGENDA PRIORITIES IN TOKYO

Japan is in a decade of stagnation, and the U.S. economy is still in recession. Close policy cooperation could prevent Japan's economic woes from spreading.

Japan is key to the success of the war on terrorism. Its new Anti-Terrorism Special Measure Law enables it to participate globally as a U.S. military partner, and its role in funding Afghan reconstruction proves its importance as a political partner. A 1998 North Korean ballistic missile test over the Sea of Japan underscores the security threat to Japan and is ample cause for cooperation on a ballistic missile defense infrastructure.

AGENDA PRIORITIES IN SEOUL

The Administration counsels Seoul to demand reciprocity in dealing with North Korea (its leader has yet to visit Seoul or expand family reunions), but some still blame Washington's hard line on the North for the stalled North-South dialogue. The President should emphasize U.S. willingness to engage the North while maintaining caution in its own approach.

North Korea sponsors terrorism by proliferating weapons and technology to rogue states such as Libya, Syria, Iran, Iraq, Somalia, and Taliban Afghanistan. It harbors Japanese Red Army terrorists and the Rangoon assassins of 1983. Recently, an unmarked North Korean vessel fired upon a Japanese naval vessel near Japan.

The 37,000 U.S. troops stationed in South Korea are proof of America's commitment to stability on the Korean Peninsula, but managing that presence causes friction in the relationship. The President should show sensitivity to South Koreans for their sacrifices in accommodating U.S. troops by moving U.S. headquarters now at Yongsan Base to another site. He should stress the importance of the Trilateral Coordination and Oversight Committee in managing North Korea policy among Washington, the ROK, and Japan.

AGENDA PRIORITIES IN BEIJING

The CIA says China is the second major ballistic missile threat to the United States behind Russia and that its "missile force will increase several-fold by 2015" and is "deployed primarily against the

United States." China also has violated virtually every non-proliferation commitment in the past decade, selling nuclear weapons technology to Pakistan, advanced missile components to Pakistan and Iran, and chemical weapons components and precursors to Iran. In this context, the President should explain that a national ballistic missile defense system is needed in large part because China has proliferated missile components and technology to rogue states.

Although Taiwan is at the heart of Beijing's unhappiness with Washington, the President should emphasize America's long-standing friendship with the people of Taiwan and explain that the China-Taiwan friction can be resolved only if Beijing engages in an unconditional, direct dialogue with Taipei. He should repeat the statements he made in Shanghai encouraging Beijing to treat Taiwan with respect.

Unless the President places such uncomfortable but necessary issues on the agenda, China's leaders will assume that he is not serious. U.S. policymakers must step back from efforts simply "to get the words right" and understand that the ultimate goal is to help China get its "system" right.

China has been somewhat supportive of the war on terrorism but is suspicious about America's strategic presence in Central Asia. President Bush must be sensitive to these concerns but need not apologize either for a protracted U.S. military presence in Central Asia or for Japan's increased participation in Asian security. He should welcome China's efforts to ease tensions between India and Pakistan.

If China follows through on its World Trade Organization commitments, the reforms will open its vast market to American exports and strengthen the world economy. But only strict adherence to those commitments will help China reap the benefits of WTO membership. The United States cannot be sympathetic if China's entry into the WTO spawns more disputes as Chinese firms, government agencies, and localities ignore even the clear-cut of Beijing's promises to open markets.

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PRESIDENT BUSH'S TRIP TO ASIA: PROMOTING SECURITY, PROSPERITY, AND PEACE

JOHN J. TKACIK AND BALBINA HWANG

President George Bush, in his State of the Union address to the American people, set the priorities for his agenda on his upcoming state visits to Japan, Korea, and China. When he travels to Tokyo, Seoul, and Beijing, his key priority will be security, but it will be followed closely by economic issues and the peaceful resolution of conflicts. The President will likely raise in each country the problem of North Korea's relentless effort to procure, produce, and proliferate weapons of mass destruction (WMD). By identifying North Korea as a member of an "axis of evil," he did more than decry Pyongyang's deliberate sacrifice of millions of its own citizens to starvation and death while feeding its military programs. He also was making a bold declaration to the leaders of Asian countries that North Korea's actions threaten not only U.S. and regional security, but also global security, and can no longer be tolerated.

The South Koreans and Japanese understand the threat North Korea poses and are gravely concerned. China's leadership also is uneasy with North Korea's isolationism and defiance, but Beijing is loath to alienate one of its last ideological soul mates by bowing to international pressure. Beijing still proliferates technology and materiel for WMD and missile delivery systems to the three "axis" states—Iraq, Iran, and North Korea. Indeed, the

United States sanctioned some Chinese "entities" in January 2002 for selling chemical weapons precursors and production equipment to Iran despite a previous agreement to stop such sales.

President Bush will confront differing challenges when he meets with state officials in the three capitals. For example, he will need to forge a consensus with leaders in Tokyo and Seoul on how to coordinate effective policy toward a recalcitrant Pyongyang. In Beijing, he must confront the issue of China's destabilizing proliferation activities while at the same time reassuring Beijing that America and China can work together, "in ways we have never before, to achieve peace and prosperity." He also must make the case that "in every region, free markets and free trade and free societies are proving their power to lift lives."¹

Among his other important priorities: addressing the deepening economic problems in Japan, some

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South Koreans' uncertainty about America's support for peace on the Korean Peninsula, and the culmination of the political succession in China, set for October 2002. These visits will be counted as successes if President Bush can promote constructive economic reforms by Japan, firmness in South Korea's management of relations with the North, and moderation in China's foreign policies and reforms of its human rights and trade behavior.

AGENDA PRIORITIES IN TOKYO

Strengthening Both Economies. As the world's two largest economies, the United States and Japan should work together to strengthen their own as well as the global economy. In light of Japan's decade of economic stagnation and the recession in the United States, many realize that the vitality of both economies is integral to prosperity around the world. Close cooperation in economic policies will help prevent Japan's economic woes from spreading throughout the region, and also will prevent the sort of hostility over trade and other economic issues that existed between the two countries in the 1980s.

When President Bush addresses the Japanese Diet, he can encourage much-needed reforms in Japan by voicing strong support for Prime Minister Junichiro Koizumi's efforts and encourage the Japanese government to proceed with the promised overhaul of the banking and financial systems. Japan should also be encouraged to address the immense burden of bank debt—a painful but necessary step to avert a meltdown of the financial system.² And the President should convince Japan of the importance of communicating its monetary policy decisions to its neighbors. The devaluation of the yen, although beneficial domestically, is causing concern in East Asia that Japan is pursuing a “beggar-thy-neighbor” policy that could contribute to regional instability. Furthermore, a steady decline in the yen may contribute to increasing discontent

among Americans as bilateral trade pressures mount.

Finally, President Bush should convey to Japan that currency devaluation is merely a short-term measure to alleviate recessionary pressures, while overall structural reform is necessary for long-term revival of the Japanese economy.

Strengthening the Alliance. For 50 years, the U.S.–Japan alliance has been the basis for peace and prosperity in Asia. Japan's critical role in this strategic partnership became clearer in recent months with its strong show of support for the war on terrorism. Shortly after September 11, Japan passed a significant Anti-Terrorism Special Measure Law, enabling it to participate as a more active political and military partner of the United States.³ This was an important step for Japan in taking a leadership role in security issues in Asia and provides a more secure basis for stability in the region.

But the war on terrorism is far from over, and Japan's close cooperation is also needed to address the lingering threat posed by North Korea. In August 1998, North Korea test-fired a multi-stage ballistic missile over the Sea of Japan. The Taepo Dong–1, the first three-stage missile launched by Pyongyang, is capable of carrying a nuclear warhead. Combined with the North's pursuit of biological, chemical, and (most likely) nuclear weapons programs, this action highlights the significant dangers this regime poses to regional and global security.

In Tokyo, President Bush should praise Japan's contributions to the war on terrorism, including its key role in rebuilding Afghanistan. Japan's participation provides the Asian anchor to the coalition fighting to eradicate terrorism. Japan also should be encouraged to recognize the vicissitudes of the Asian security environment and seek to anticipate rather than simply respond to problems after they arise. Specifically, Japan should be urged to expand on the 1999 agreement with the United States to

1. White House, Office of the Press Secretary, “President Bush's State of the Union Address to Congress and the Nation,” January 29, 2002.
2. See Balbina Hwang, “Japan's Economy: Lazarus or Rip van Winkle?” *The World & I*, January 2002.
3. Koizumi is moving toward a “reinterpretation” of Article Nine of Japan's pacifist constitution, undoing years of Chinese hectoring on the dangers of Japan's remilitarization. For more information, see Larry Wortzel, Ph.D., “Joining Forces Against Terrorism: Japan's New Law Commits More than Words to U.S. Effort,” Heritage Foundation *Backgrounder* No. 1500, November 5, 2001.

NOTE: Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

cooperate on developing a ballistic missile defense infrastructure that would protect the people of Japan as well as forward-deployed U.S. forces and America's allies from missile attack.⁴

Dealing with North Korea. Maintaining North Korea on the U.S. State Department's list of state sponsors of terrorism and identifying it as part of the "axis of evil" directly addresses strong Japanese security concerns. North Korea continues to harbor the fugitive terrorists of the Japanese Red Army as well as maintain their denial of any involvement in the kidnapping of Japanese civilians. As recently as December 2001, North Korea apparently attempted to infiltrate its agents into Japan using a fishing boat, firing upon the Japanese coast guard in the process.⁵ President Bush should urge Japan to support his strong stance against North Korea and work closely with his Administration and South Korea to pressure North Korea to cease these activities.

AGENDA PRIORITIES IN SEOUL

Assuring South Korea of U.S. Support for Reconciliation. There is a widespread misconception in Korea that President Bush opposes engagement with North Korea, maintaining a hard-line stance toward that country. In reality, the United States has offered North Korea an open-ended invitation to meet at "any time, any place,"⁶ while North Korea has refused to meet with U.S. representatives and has slowed progress in the North-South dialogue. The Bush Administration also has stated repeatedly that it fully supports South Korea's efforts to encourage the dialogue and reconciliation process.⁷

Some South Koreans use President Bush's insistence on reciprocity when dealing with North Korea as a way to blame the United States for the frustrating lack of progress in the North-South dia-

logue. Even those critical of South Korean President Kim Dae Jung's "Sunshine Policy" of engagement have perpetuated this misperception. President Bush's most important priority in Seoul, then, should be to dispel this myth by stating clearly, and repeatedly, that the United States is willing to engage in dialogue with the North. While America fully supports Seoul's initiatives to engage Pyongyang, the President should explain that the United States must be cautious about its own engagement. North Korea still poses a significant threat to the security of South Korea and the world. Not making this clear could allow a misperception to undermine the U.S.-Republic of Korea (ROK) alliance.

Finally, President Bush could use his trip to visit U.S. troops stationed at the Demilitarized Zone, delivering a compelling message to the Koreans and the world that the transportation corridor to the North could be opened if only Pyongyang were to keep its end of the bargain.

Explaining Why North Korea Is a Terrorist State. In his State of the Union address on January 29, President Bush made it clear that it is a U.S. priority to "prevent terrorists and regimes who seek chemical, biological, or nuclear weapons" from threatening America and its allies with weapons of mass destruction.⁸ North Korea is one of several countries that sponsor terrorism by proliferating weapons, technology, and materials. For example, North Korea has sold 50 Nodong-1 missiles (with a range of 1,000 kilometers) to Libya,⁹ and Syria is reportedly considering buying intermediate-range Nodong missiles from Pyongyang.¹⁰ North Korea also still harbors the terrorists from the Japanese Red Army and also those who assassinated South Korean officials in Burma. And North Korea has perpetrated numerous acts of terrorism in the sovereign territory of South Korea, including a subma-

4. In August 1999, the United States and Japan signed a Memorandum of Understanding (MOU) to begin joint technical research theater missile defense (TMD) focusing on sea-based defenses. See www.defenselink.mil/pubs/allied_contrib2000/allied2000.pdf.

5. "Suspected Spy Boat Sinks Near Japan," *The Washington Post*, December 23, 2001.

6. "Bush Tough Talk Shakes Up Diplomatic Stance," *The Wall Street Journal*, January 31, 2002.

7. Peter Slevin, "Powell Offers Reassurance to South Korea," *The Washington Post*, February 2, 2002.

8. "President Bush's State of the Union Address to Congress and the Nation."

9. Bertil Lintner and Suh-hyung Yoon, "Coming in from the Cold," *Far Eastern Economic Review*, October 25, 2001.

10. "Syria Working with North on Strategic Weapons," *JoongAng Ilbo*, January 31, 2002, at <http://english.joins.com/nk/article.asp?aid=20020125203801&sid=E00>.

rine raid that resulted in the deaths of 17 South Koreans.¹¹

The United States has taken a strong stance against terrorism and is working with its allies to preempt another terrorist attack. If proliferation of nuclear, chemical, and biological WMD continues, the next terrorist attack would dwarf the devastation of September 11. Thus, it is in the interests of the United States, South Korea, Asia, and indeed the world for the United States to ensure that North Korea and other regimes cease all proliferation activities.

American identification of North Korea as a perpetrator of terrorism and part of the “axis of evil” is a policy that should be equally important to South Koreans. They need only to be reminded of the 1983 brutal assassination attempt on former President Chun Doo-Hwan in Burma, which killed 17 senior South Korean officials, including cabinet ministers.¹² Or they might remember the 1987 North Korean bombing of a Korean airliner killing all 115 civilians on board, or the more than 3,600 South Korean citizens that have been kidnapped by the North throughout the past five decades.¹³

President Bush can use this visit to Seoul to clarify U.S. objectives and priorities regarding the eradication of global terrorism. Some argue that a show of resolve backs North Korea into a corner, and they fear that Pyongyang will react aggressively to a strong U.S. stance. President Bush should communicate clearly that creating incentives for the North to reduce terrorism and weapons proliferation is vital to national and regional security. America’s strong stance against states that sponsor terrorism also is consistent with President Kim’s Sunshine Policy to bring peace and stability to the Korean Peninsula. And while the United States maintains a policy of reciprocal engagement with North Korea, issues related to terrorist activities must take priority as long as the threat of global terrorism exists.

Strengthening the U.S.–ROK Alliance. This 48-year-long relationship is part of the bedrock of

stability and prosperity in East Asia, and any minor policy differences that may exist between the two countries should not be allowed to undermine or fundamentally alter it. The strength of the U.S. commitment to South Korea is visibly manifested in the 37,000 U.S. troops stationed there, as well as in formal treaty commitments that obligate the United States to aid the defense of South Korea should its security be threatened by an external force. Nevertheless, lingering issues related to U.S. troop presence in the South cause friction in the relationship.

In Seoul, President Bush should take this valuable opportunity to reaffirm the strength of the alliance, reassuring the U.S. military command of Americans’ support and showing sensitivity to South Koreans for the trade-offs they make in exchange for the U.S. commitment. On the issue of the Yongsan Base, which currently houses the headquarters of the U.S. Forces Korea, President Bush should reiterate America’s commitment to relocate that base to a locale outside of Seoul. Such a move is currently constrained by the U.S. war on terrorism and by the fiscal burden this would place on the ROK, but relocating the base in the future will be an important step in improving U.S.–ROK relations.

President Bush should also take advantage of the opportunity to stress the critical importance of the Trilateral Coordination and Oversight Committee (TCOG), which manages and coordinates North Korea policy among the United States, the ROK, and Japan.¹⁴ The key objective is to ensure that North Korea does not succeed in its long-held goal of driving a wedge between the members of the U.S.–ROK alliance.

Clarifying the Need for Missile Defenses.

President Kim Dae Jung made what is widely considered a diplomatic error last March by signing a joint declaration with President Vladimir Putin of Russia in support of the Anti-Ballistic Missile (ABM) Treaty between the Soviet Union and the United States. This event revealed the extent to which South Koreans are skeptical of a missile defense sys-

11. Devin Sullivan, “South Koreans Kill 7 from North Korea Sub,” *The Washington Post*, September 20, 1996.

12. Michael Berlin, “Burma Details North Korean Role in 1983 Bombing,” *The Washington Post*, October 4, 1984.

13. Fred Hiatt, “Japan Kidnapping May Lead to North Korean Spy Case,” *The Washington Post*, January 20, 1988.

14. See Balbina Hwang, “The Bush Administration’s Cautious Approach to North Korea,” Heritage Foundation *Backgrounder* No. 1455, July 6, 2001, p. 3.

tem. Indeed, another disturbing but pervasive myth is that the Bush Administration needs the threat of North Korean missiles to sell its beloved missile shield. Such arguments are not only naïve but foolish. The events of September 11 graphically illustrate that the greatest danger to security for America and its allies derives not from the responsible nuclear powers of the international community, but from regimes, groups, or even individuals who would stop at nothing to take advantage of America's greatest vulnerability: its inability to protect its own people from missile attack.

North Korea represents the most obvious of these threats today because of its lethal combination of intent and capability, laid bare by its threatening rhetoric and posture against South Korea and the United States and by its rapidly growing capabilities. Soon, it will have ballistic missile technology with a potential range of over 6,000 miles. The most obvious response to such a blatant threat must be the development of a system capable of defending against such terror.

In addressing the people of South Korea, President Bush should clarify the true objectives of a missile defense program—to protect and defend against weapons of mass destruction. He should allay fears that a missile defense system would antagonize North Korea as well as China and convey the salience of a missile defense system for the South's security.

AGENDA PRIORITIES IN BEIJING

Because his visit to China necessarily will be short, President Bush should concentrate on a results-oriented dialogue and avoid humoring the Chinese where U.S. and Chinese differences are irreconcilable. The President cannot ignore the difficult issues, and he should not fear the typical reaction of Chinese leaders who purport to take offense at America's directness. Serious issues exist between these two important countries that must be broached without ambiguity, and less contentious topics should be approached in a spirit of cooperation. Among the serious issues: (1) China's military expansion, especially its missile buildup that threatens regional stability, and missile development, which clearly targets the capabilities of the United

States; (2) China's proliferation of missiles and nuclear and chemical weapons; (3) China's treatment of Taiwan and the need for renewed dialogue without preconditions; and (4) China's efforts to address human rights abuses.

In addition to these difficult issues, two significant issues that bridge relations between the United States and China should also be discussed: the war on terrorism and trade. President Bush should encourage Chinese President Jiang Zemin to consider greater cooperation with the coalition fighting the war on terrorism and offer praise for China's progress in opening its markets to trade and acceding to the World Trade Organization (WTO), while offering guidance on how China can best reap the benefits of membership in that organization.

The Administration should recognize that Chinese negotiators commonly propose "setting aside differences to concentrate on commonalities" (*cun yi qiu tong*) in an effort to avoid discussion of issues on which they have the weaker arguments.¹⁵ This negotiating tactic permits the Chinese to control the agenda and diverts attention away from China's shortcomings and toward areas where they hope to gain concessions by proclaiming they are trying to reach consensus. This tactic also enables the Chinese to claim afterwards that since the other side did not discuss difficult matters, they must not have been all that important.

President Bush should firmly state his case, leaving no doubt as to the American position on each matter. He should be wary of allowing the Chinese to deflect straightforward discussion of China's proliferation, its military buildup against Taiwan, the expansion of its intercontinental ballistic missile (ICBM) force, and its human rights abuses.

Convincing China that Its Missile Buildup Threatens Stability. The latest threat assessment of the foreign ballistic missiles by the Central Intelligence Agency (CIA) lists China as the second major threat to the United States behind Russia. According to this assessment, China's "missile force [of 75 to 100 warheads] will increase several-fold by 2015."¹⁶ More troubling, this massive increase in China's missile force is "deployed primarily against the United States." Because China's missile arsenal

15. See also Lucian Pye, *Chinese Commercial Negotiating Style* (Cambridge, Mass.: Oelgeschlager, Gunn & Hain, 1982), pp. 77–78.

is capable of hitting anywhere in the United States, President Bush should make this his top priority when he travels to Beijing.

China's more moderate leaders appear persuaded that Beijing's aggressive rhetoric against Taiwan, its military expansion into the South China Sea, and the EP-3 showdown near Hainan Island were counterproductive.¹⁷ The Bush Administration reacted to China's missile buildup on the coast of the Taiwan Strait by reaffirming its defense commitment to Taiwan, and many see China's growing missile force as a major cause of the Bush Administration's commitment to develop a national ballistic missile defense. President Bush's firm resolve when dealing with the issue of missile buildup was key to this realization and need not be relaxed.

President Bush must avoid the mistake President Bill Clinton made during a visit to Beijing in June 1998. President Clinton used the visit to sign a "nuclear missile detargeting agreement" with China in exchange for a public articulation of his infamous "Three Noes" about Taiwan and its international standing.¹⁸ Since that signing, there have been both an increase in China's missile arsenal and more Chinese belligerence in the Taiwan Strait—not a decrease as one might expect. President Bush should voice disappointment at the growing Chinese capability to launch a nuclear strike against the United States despite the 1998 nuclear detargeting agreement.

Convincing China that Its Proliferation

Threatens the World. China has violated virtually every non-proliferation commitment in the past decade. Aside from effectively ignoring the 1998 detargeting agreement, China has broken other promises.¹⁹ In February 2000, the Clinton Administration, distressed by China's fourth consecutive violation of pledges to halt missile exports, banned the issuance of satellite licenses to China until it promised to end all transfers of advanced missile technology to Pakistan. In November 2000, China swore—for the fifth time—that it would end the transfers, making it possible for the United States to resume normal processing of licenses for the launch of U.S. satellites on Chinese boosters. Yet by February 2001, U.S. intelligence had learned that China had continued these exports to Pakistan, causing President Bush to order new missile sanctions on the Chinese government and a Chinese aerospace company.²⁰

At first, China insisted that the U.S. sanctions were based on faulty intelligence. But in November 2000, China stated that because it felt its missile technology contracts signed before then were not covered by the pledge, it could continue to transfer missile components to Pakistan even after November 2000.²¹ This, of course, was the same line the Chinese used to explain away their violations of the 1991 commitment to halt sales of M-11 missile technology, a commitment made by then-foreign minister Qian Qichen to then-Secretary of State

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16. National Intelligence Officer for Strategic and Nuclear Programs, ed., *Foreign Missile Developments and the Ballistic Missile Threat Through 2015*, published by the CIA and the National Foreign Intelligence Board, January 10, 2001, at www.cia.gov/nic/pubs/other-products/Unclassifiedballisticmissilefinal.htm.
17. Erik Eckholm, "China Grins and Bears It," *The New York Times*, July 30, 2001, p. A1; John Pomfret, "China Sees Interests Tied to U.S.; Change Made Clear in Wake of Sept. 11," *The Washington Post*, February 2, 2002; p. A1.
18. Steven Erlanger, "U.S. Wants Out of China Missile Sights," *The New York Times*, June 14, 1998, p. A3; Walter Pincus, "U.S., China May Retarget Nuclear Weapons," *The Washington Post*, June 16, 1998; "Beijing to Honour Joint Arms Pledge," *Hong Kong Standard*, July 27, 1998. Clinton evidently retreated from his initial intention to avoid the so-called Three Noes because he told the press on June 25 that he would not announce any change in U.S. policy toward Taiwan during his China trip. See "Clinton Stands Firm on US-Taiwan Stance," *Hong Kong Standard*, June 26, 1998. Private conversations with the author at the time indicated the Chinese sought the Three Noes as a quid pro quo for the missile detargeting agreement.
19. Shirley Kan, "China's Proliferation of Weapons of Mass Destruction and Missiles, Current Policy Issues," *CRS Issue Brief for Congress*, IB92056, May 16, 2001, p. 2; Bill Gertz, "China's Broken Promises Outlined," *The Washington Times*, July 23, 2001, p. A1.
20. Robin Wright, "U.S. to Sanction Chinese Firm," *The Los Angeles Times*, September 1, 2001.
21. See Bonnie S. Glaser, "Face to Face in Shanghai: New Amity Amid Perennial Differences," Nautilus Institute, 4th Quarter 2001, at www.nautilus.org/nukepolicy/workshops/shanghai-01/glaserpaper.html.

James Baker, with another commitment in 1994 and yet a third in 1996.

Washington responded by demanding that Beijing put into writing its oral agreement of November 2000, pledging to cease all exports of advanced missile technology. But Beijing demurred and pleaded that it would instead establish a governmental export control regime to regulate missiles and missile technology exports.²²

China also continues to export chemical weapons materials and condones the export of chemical weapons precursors and manufacturing equipment to rogue states, as evidenced by the new U.S. sanctions on three Chinese entities for selling such items to Iran. These sanctions are ineffectual. An unclassified CIA report says that prior to the last half of 2001, “Chinese firms had supplied dual-use [in this case, chemical weapons]-related production equipment and technology to Iran.” Those entities had also been hit with sanctions in 1997, and they have been sanctioned again this year.²³

The President should ask the Chinese why the United States would place any further credence in China’s written assurances when the first written pledge (Vice Premier Qian Qichen’s in 1991) and virtually all since then have proved untrustworthy. In this context, the President should explain that the United States feels it must deploy a national ballistic missile defense system in large part because China continues to proliferate advanced missile components and technology to rogue states that threaten the American homeland.

The President should publicly address China’s repeated violations of virtually every commitment to cease its proliferation of advanced nuclear, chemical, and missile technology. However, unless his words are supported by action, China will assume the U.S. position is not serious. One concrete step would be to link all future waivers of sanctions to an extensive period of Chinese compliance as veri-

fied by U.S. “national technical means,” not new promises.

The President’s State of the Union address made it clear that the United States will no longer ignore countries that develop weapons of mass destruction or their delivery systems. Moreover, President Bush warned he would act aggressively against these countries. The United States must also take action against nations that proliferate missiles and WMD technology. Placing U.S. sanctions on Chinese “entities” that proliferate merely treats the symptoms, not the disease—the Chinese government’s toleration and support of proliferation is the real problem.

President Bush should take this opportunity to emphasize that if China does not stop these destabilizing actions, the United States will be forced to review all of the 50-odd science and technology cooperation protocols it has entered into with China since 1979—particularly in high-energy physics cooperation—and terminate those that may improve China’s military capacities.

Encouraging China to End Its Hostility to Taiwan. Taiwan remains at the heart of Beijing’s unhappiness with Washington. Some in Beijing want to play down the Taiwan issue during President Bush’s visit to avoid provoking statements more supportive of Taiwan. The visits of several senior Chinese officials to Washington in January and early February 2002 were designed to convince the United States of China’s moderate stance on the Taiwan issue. The President in Beijing should reiterate that America has a long-standing friendship with the people of Taiwan and their elected representatives, and that the China–Taiwan friction can be resolved only if Beijing engages in an unconditional, direct dialogue with Taipei.²⁴ President Bush should repeat the statements he made in Shanghai encouraging Beijing to treat Taiwan with respect.²⁵

22. *Ibid.* The Chinese media termed the Bolton–Wang consultations in November 2001 “beneficial and constructive” and conducive to “increased mutual understanding.”

23. Bill Gertz, “US Hits China with Sanctions over Arms Sales,” *The Washington Times*, January 25, 2002, p. 1.

24. U.S. officials have already expressed the need for China to abandon its preconditions for talks with Taiwan. Dr. Richard Bush, chairman and managing director of the American Institute in Taiwan (AIT), asserted on January 28, 2002, that “for Side A, in effect, to ask Side B to concede a major point would only raise Side B’s doubts about Side A’s good intentions.” See Monique Chu, “AIT Chief Assures Taiwan,” *Taipei Times*, January 29, 2002; Charles Hutzler *et al.*, “U.S., China Jockey Ahead of Beijing Summit,” *The Wall Street Journal*, January 29, 2002.

On January 24, Chinese Vice Premier Qian Qichen delivered an “important speech” on the Taiwan issue,²⁶ highlighted by the attendance of China’s Vice President and heir-apparent Hu Jintao.²⁷ Qian termed China’s and Taiwan’s entry into the WTO “a major event” and “a new opportunity for further development of economic and trade relations between the two sides.” The Vice Premier chose his words carefully. Last November, a senior Chinese spokesman had argued, “it is inappropriate for the two sides to discuss economic and trade relations within the WTO framework.”²⁸ While Vice Premier Qian did not directly contradict this statement, his words implied that the WTO could be a venue for cross-strait trade talks. His speech suggests, moreover, that Chinese and Taiwanese trade delegates could begin to work out trade problems discreetly in Geneva. President Bush should publicly welcome China’s view that WTO participation by Taiwan is “a new opportunity” to develop economic and trade ties with the people of Taiwan, and encourage Beijing to follow up on this moderate rhetoric with deeds.

Vice Premier Qian’s speech was not a new opening to Taiwan. China adamantly refuses to acknowledge the legitimacy of Taiwan’s elected government.

While the American media painted the Vice Premier’s invitation to supporters of Taiwan’s ruling Democratic Progressive Party (DPP) to visit China as a dramatic turn, in Taiwan, DPP partisans only shrugged; DPP members travel privately to China all the time. Vice Premier Qian’s reference to the DPP was a simple acknowledgement that the DPP now runs Taiwan. Still, Qian insisted that only an “extremely small number” of DPP members support Taiwan’s independence. In response, the DPP Secretary General asked, “where are these DPP members who don’t support Taiwan independence?”²⁹ A Beijing spokesman then clarified that only DPP members committed to “one China” are welcome in China and declared that Taiwan’s President Chen Shui-bian is clearly not one of them.³⁰

Understanding the “One China” Policy. Washington must be clear that its “one China” policy simply means that the United States recognizes the People’s Republic of China as the “sole, legal government of China.” It does not mean that the United States accepts China’s territorial or sovereign claims to Taiwan;³¹ China knows this and agreed to establish diplomatic relations with the United States in spite of it.³² Moreover, the 1979 Taiwan Relations Act (P.L. 96–8) explicitly mandates that

25. Glaser, “Face to Face in Shanghai.” The substance of President Bush’s remarks was relayed in an off-the-record briefing by a senior Administration official, but the substance of the sentiment that “China should treat Taiwan with respect” is reflected in a recorded interview with Dr. Condoleezza Rice during the 2000 presidential campaign. See <http://uspolitics.about.com/library/weekly/aa070500a.htm>.
26. The original Chinese text was posted at *People’s Daily*, www.unn.com.cn/GB/hannel2567/2608/2740/index.html. An unofficial translation was prepared by the Foreign Broadcast Information Service, “Xinhua Domestic Service Chinese, January 24, 2002.”
27. Zhu Jianling, “Hu Jintao Jubu Jieru dui Tai Zhengce” (“Hu Jintao Gradually Moves into Taiwan Policy”), *China Times* (Taipei), January 25, 2002.
28. “China Says WTO No Place for Solving Trade Disputes,” Reuters, November 1, 2001, at www.taipetimes.com/news/2001/11/01/story/0000109598; Zhu Huaying and Chen Binhua, “PRC Taiwan Affairs Office Spokesman on Cross-Strait Ties After WTO Entry,” Beijing *Xinhua*, Hong Kong Service in Chinese, FBIS–CHI–2001–1031, October 31, 2001. Of course, China has good reason to engage Taiwan in the WTO: It stands to gain an additional \$5 billion in export revenues from Chinese rice, fruits, and vegetables to Taiwan. See “Taiwan’s Annual Imports from Mainland China to Rise by US\$5 B. After WTO Entry,” *China Economic News Service*, September 24, 2001.
29. Qiu Yanling, “Minjin Dang: Dangnei you bu zhichi Taidude ma?” (“The DPP: Are there any in the Party who don’t support Taiwan Independence?”), *Liberty Times* (Taipei), January 26, 2002; He Rongxin, “Liangyan guanxi Chuxian Zhuanji, Qian Qichen Shuofa, Minjin Dang Huanying” (“A new stage appears in Cross Strait Relations, DPP welcomes Qian Qichen’s words”), *The China Times* (Taipei), January 25, 2002.
30. Zhu Jianling, “Zhonggong Guotaiban: Chen Shui-bian, Lu Xiulian Jie Wangu Taidu,” (“PRC Taiwan Affairs Office says Chen Shui-Bian, Lu Hsiu-lien belong to Diehard Taiwan Independence Movement”), *China Times* (Taipei), January 30, 2002, at www.chinatimes.com.
31. For a comprehensive look at this issue, see Ambassador Harvey Feldman, “A Primer on U.S. Policy Toward the ‘One-China’ Issue: Questions and Answers,” Heritage Foundation *Backgrounder* No. 1429, April 12, 2001.

the United States shall “maintain the capacity to resist any resort to force or other forms of coercion” against Taiwan, and explicitly acknowledges Taiwan as a “foreign country, nation, state, government, or similar entity” for the purposes of U.S. domestic law.³³

On July 14, 1982, President Ronald Reagan gave “six assurances” to Taiwan’s president that confirmed, among other things, that the United States would not terminate arms sales to Taiwan, would not pressure Taiwan into negotiations with China, and most important, “has not changed our long-standing policy on the matter of sovereignty over Taiwan.”³⁴ That “long-standing” policy had been one that saw the issue of sovereignty over Taiwan as “undetermined.”³⁵ The Chinese, aware of this position, will seek to cloud the issue by repeating their demand that the United States recognize China’s territorial claim to Taiwan under the “one China principle”—a principle that the United States does not share and never has shared.

In Beijing, President Bush need only note that the United States has a “one China” policy within the context of the Three Communiqués, the Taiwan Relations Act, and President Reagan’s “Six Assurances”; all have been consistent U.S. policy for over 20 years. If necessary, President Bush can ask the Chinese whether they would like him to restate the U.S. defense commitment to Taiwan or move on to other issues. “Strategic clarity” from the President

on this issue should suffice to move dialogue on to other issues.³⁶

Addressing Concerns About Human Rights Abuses. In the run-up to the February summit, it is important that U.S. policy toward China asserts American values. The President’s personal intercession in the human rights dialogue with China is vital if progress is to be made. This was poignantly demonstrated by Beijing’s reaction to President Bush’s muscular protests (via the U.S. embassy in Beijing) regarding the death sentence for a Hong Kong man caught smuggling Bibles into China; the charges were reduced substantially, and the man was released from prison for health reasons.³⁷

Unless the President places these uncomfortable but necessary issues on the agenda for his talks with the Chinese leaders, they will assume that he is not seriously concerned about these issues and will gauge his demeanor in Beijing against the U.S. domestic press reports of his reaction to that incident. U.S. policymakers must step back from efforts simply “to get the words right” and understand that the ultimate goal is to help China get its “system” right.

Encouraging Greater Cooperation in the War on Terrorism. President Bush’s forthright conversations with President Jiang in Shanghai last October confirmed in Chinese minds that the new President wishes China well but also means what he says. The President must now engage Beijing in one area where there are common interests but diverging

32. See Lester L. Wolff and David L. Simon, eds, *A Legislative History of the Taiwan Relations Act with Supplement*, Touro College, Pacific Community Institute, August 1993, p. 304, “PRC Chairman Hua Guofeng’s Press Conference on Establishing Diplomatic Relations with the United States, Peking, December 16, 1978 (excerpt).” In the December 1978 normalization negotiations in Beijing, the U.S. sacrificed diplomatic relations with Taiwan but retained the right to sell defense equipment and services to Taiwan. This was President Jimmy Carter’s non-negotiable condition for normalization—a fact that then-Chinese Communist Party Chairman Hua Guofeng explicitly acknowledged to the press the day after the “normalization” announcement.

33. 22 USC 3303 Section 4 (b)(1).

34. Larry M. Wortzel, PhD., “Why the Administration Should Reaffirm the ‘Six Assurances’ to Taiwan,” *Heritage Foundation Backgrounder* No. 1352, March 16, 2000.

35. John Tkacik, “It Depends on What ‘One China’ Means,” *The Washington Times*, September 13, 1999, p. A17.

36. See statement by The Heritage Foundation and The Project for the New American Century terming “efforts by the Clinton Administration to pressure Taipei to cede its sovereignty and to adopt Beijing’s understanding of ‘One China’” both “dangerous and directly at odds with American strategic interests, past U.S. policy, and American democratic ideals.” The letter declares that “the time for strategic and moral ‘ambiguity’ with regard to Taiwan has passed.” The statement was signed by, among others, current Deputy Secretary of State Richard L. Armitage, current Under Secretary of State John R. Bolton, Vice President Cheney’s Chief of Staff I. Lewis Libby, current Deputy Secretary of Defense Paul Wolfowitz, and Heritage Foundation President Edwin J. Feulner. See http://www.heritage.org/news/99/nr082499_letter.html.

perspectives—cooperating more fully on the war on terror. China's cooperation already has been useful in a number of areas. For example, China has been supportive in the United Nations; it has shared some useful anti-terror intelligence; it has not prevented Hong Kong from providing financial, shipping, and other intelligence and interdiction efforts against terrorism; and it has pledged \$150 million (U.S. dollars) to Afghan reconstruction, although details are vague.³⁸

On the other hand, China has been highly suspicious—if not downright paranoid—about America's new strategic presence in Central Asia, a region Beijing considers within its own sphere of influence.³⁹ On January 16, 2002, the *Liberation Army Daily* quoted China's Chief of the General Staff Fu Quanyou as warning the United States against using the war on terrorism to dominate global affairs, saying that “counter-terrorism should not be used to practice hegemony.” (“Hegemony” in China's diplomatic lexicon refers to the U.S. role as the sole superpower.⁴⁰)

General Fu views the war on terrorism as threatening China's geopolitical position in Asia. In the two weeks following the September 11 attacks, China saw at least six strategic allies, including Pakistan and Russia, join the U.S. war effort with-

out consulting Beijing. Another setback for China came as Japanese Prime Minister Koizumi committed a large naval force to support the U.S. campaign.

President Bush needs to be sensitive about China's perceptions, but he need not apologize either for a protracted U.S. military presence in Central Asia or for Japan's increasing participation in Asian regional security. He should welcome China's offer of \$150 million in development aid to the new Afghan regime, as well as its support of efforts to ease tensions between India and Pakistan following the December 13 terrorist attacks on the Indian Parliament House complex in New Delhi that killed 14. President Jiang Zemin deserves recognition as a constructive participant in the complex conflict.

Praising Progress on Trade. Trade, environment, and law enforcement are areas where Washington and Beijing share congruent interests. As such, they do not require a prominent position on the summit agenda, and President Bush should point to them as needed to highlight areas in which the United States and China can and do cooperate.

China's foreign trade minister said in November that joining the WTO was a “strategic decision” by Beijing to promote China's market reforms. He

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37. News reports in late December and early January noted that, under provisions of a 1999 anti-cult law, three persons in China had received death sentences for smuggling Bibles and operating an unauthorized church. One, a Hong Kong resident, had been jailed since May for importing 16,280 Bibles for an underground Christian group called the Shouters. The U.S. Department of State and the U.S. embassy in Beijing protested the arrests, only to be shrugged off by Chinese officials who said the cases were being handled according to Chinese law. Repeated warnings from the embassy and the U.S. Consulate General in Hong Kong that President Bush was himself directly concerned about the reports evidently resulted in the reduction of the charges to “conducting an illegal business.” See “China Releases Bible Smuggler from Prison,” Associated Press, February 10, 2002; Julia Duin, “Three Christians Sentenced to Death,” *The Washington Times*, January 11, 2002; “China Indicts HK Man for Importing Thousands of Bibles,” Associated Press (Hong Kong), January 6, 2001; Elisabeth Rosenthal, “China Sentences Man on Reduced Charge for Importing Bibles,” *The New York Times*, January 29, 2002, p. A11. Rosenthal reports that the man was indicted on the capital charges of “using a cult to subvert the law,” later reduced to conducting “illegal business” after human rights groups and President Bush raised concerns about the indictment. See also Nina Shea, “China's Crackdown on Christians,” *China Brief: A Journal of News and Analysis*, Vol. 2, No. 2 (January 17, 2002). See Amy Fagan, “Population Fund at UN Protested,” *The Washington Times*, January 29, 2001, p. A4, for a discussion of forced abortions in China; see U.S. Department of State, *Country Reports on Human Rights Practices*, Section 1.d, at www.state.gov/g/drl/rls/hrrpt/2000/eap/684.htm, for a list of arrests of democracy advocates, labor activists, and human rights leaders.
38. Yang Guoqiang, “Jiang Zemin Meets Afghan Interim Government Chairman Karzai,” Beijing *Xinhua* Domestic Service in Chinese, January 24, 2002, FBIS—CPP20020124000114. Note, however, that the Chinese apparently did not offer any funds to the U.N. Afghan Interim Authority Fund or make a reconstruction pledge at the Tokyo Donors Conference on January 21, 2002; see Howard W. French, “More Nations Join Afghan Aid Effort,” *The New York Times*, January 22, 2002, p. A1.
39. John Tkacik, “Antiterror War Is Geopolitical Disaster for China,” *China Brief: A Journal of News and Analysis*, Vol. 1, No. 12 (December 20, 2001), at http://china.jamestown.org/pubs/view/cwe_001_012_004.htm.
40. “China Warns U.S. Against ‘Hegemony,’” Agence France-Presse, January 17, 2002.

promised China would “abide by WTO rules and honor its commitments while enjoying its rights,” and “fully demonstrate the resolve and confidence of China to deepen its reforms and to open further to the outside world.”⁴¹ The terms for China’s WTO entry require it to reduce tariffs on most industrial products from the 1997 average of 25 percent to 8 percent by January 2004. If China follows through, the reforms will open China’s massive market to American exports of industrial goods, services, and farm products to an unprecedented degree and strengthen the world economy.

In Beijing, President Bush should point out that only China’s strict adherence to its WTO commitments will help it reap the benefits of WTO membership. The United States cannot be sympathetic if China’s entry into the WTO spawns even more disputes rather than helping to end them as Chinese firms, government agencies, and localities ignore even the clearest of the government’s promises to open markets.⁴²

CONCLUSION

On his first official state visits to Japan, Korea, and China, President Bush must seek ways to address America’s goals of greater security, prosperity, and peace in the vital Asia region. He must discuss ways to strengthen alliance coordination with Japan and Korea and to confront Beijing’s proliferation activities.

On the whole, his task is manageable. In Tokyo, the President should voice America’s support both for the economic reforms instituted by Japanese

Prime Minister Junichiro Koizumi and for Japan’s military deployments in the war on terrorism. In Seoul, he should assure the Koreans that America fully supports its efforts at reconciliation, but that the United States must remain cautious in its own engagement toward the North. North Korea is a terrorist state and threatens regional and global security. The President must also discuss ways to strengthen the U.S.–ROK Alliance and explain to South Korea the clear and growing need for missile defenses.

The President’s firm resolve to fight terror and his commitment to Taiwan forced Beijing to rethink its geopolitical position in Asia and recently to back away from its hostile rhetoric toward Taipei. The President should speak clearly about China’s destabilizing proliferation and missile buildup activities, invite China to increase its cooperation in the war on terrorism, address America’s concerns about human rights abuses, and affirm China’s progress on opening its markets and access to the WTO. Finally, the Administration, in the run-up to the summit in Beijing, should insist that China allow the President’s comments to be broadcast to the Chinese people uncensored—which was not the case in the last two U.S. presidential visits to Beijing.

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41. Bill Savadore, “WTO Approves China’s Membership After 15-year Quest,” Reuters, November 11, 2001.

42. On February 8, U.S. Department of Agriculture Secretary Ann Veneman and U.S. Trade Representative Robert Zoellick issued a statement warning that \$1 billion in lost U.S. soybean sales to China would result from new Chinese rules on imports of genetically modified crops. They warned that the troubles may spread to cotton and corn. In a speech to the U.S.–China Business Council, Zoellick said, “If China tries to subvert the free-trade principles of the WTO by twisting them into elements of a bureaucratic industrial policy, it will both fail to derive the advantages of those principles and undercut global WTO objectives.” See “China Raising New Barriers After WTO Entry, US Claims,” Bloomberg wire service, February 10, 2002, cited on the *Taipei Times* Internet edition at www.taipetimes.com/news/2002/02/10/story/0000123522.