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The Pursuit of Peace Amidst Changing Regional Dynamics

“Session III: The Regional Dynamics: East-Asia and Beyond”

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MARIE DUMOND: Our third session is moderated by Dr. Sue Mi Terry, a senior fellow with the Korea Chair here at CSIS. And the title of today’s session is: “The Regional Dynamics: East-Asia and Beyond.” Thank you.

SUE MI TERRY: Welcome, everyone. Last panel of the day. We saved the best for last. Today we already covered in the morning session alliance issues. We’ve covered North Korea. And with this panel, we’re going to sort of go beyond and widen our discussion and talk about the region. There’s a lot to discuss, obviously. For China, North Korea nuclear drama is playing out in the context of U.S.-China mistrust, strategic rivalry, and deteriorating U.S.-China trade relations. Xi Jinping’s visit to North Korea, the first by the Chinese president in 14 years, was expected but still noteworthy in terms of timing – coming right before the G-20. Many see it as a signal that Xi Jinping is saying to Washington that Beijing still has critical leverage over Pyongyang, and that perhaps President Xi is signaling to President Trump that maybe he should modulate his trade war according, if he wants to see progress in nuclear negotiations with Kim.

Then, obviously, there was President Trump’s recent trip to Tokyo and Prime Minister Abe’s desire to meet with Kim. Kim Jong-un has now met with President Xi Jinping five times, President Trump – President Moon Jae-in three times, President Trump twice, and Putin once, but still have not met with Abe. Then we obviously have G-20 later this with, with much anticipated Trump-Kim meeting. And just last Friday, the Trump administration added five Chinese entities to U.S. blacklist, further restricting China’s access to American technology, further complicating efforts to reach a trade deal, and obviously stoking already very high tension between U.S. and China.

So all of this going on, and we cannot ask for a more excellent and distinguished panel to discuss these and other issues. No one on this panel really needs an introduction, and you have a full bio, so I’ll just make the introductions very brief so we can start the discussion.

We have, on my left, Ambassador Kurt Campbell, chairman and CEO of The Asia Group, chairman of the Center for a New American Security, former assistant secretary of state for East Asian and Pacific Affairs, where he is widely credited as being a key architect of pivot to Asia. We have, left of him, Dr. Chung Jae-ho. He’s a professor of international relations at Seoul National University. Prior to working at SNU, Professor Chung worked as an assistant professor at Hong Kong University of Science and Technology. He was a CNAPS fellow at Brookings, Korea Foundation visiting professor at Renmin University.

Left of him, Dr. Thomas Christensen is a professor of public and international affairs and director of China and the World Program at Columbia University. He arrived in 2018 from Princeton University. He also formerly served as a deputy assistant secretary of state for East Asia and Pacific Affairs. And then we have Dr. Kim Sangjoon, professor of political science at Yonsei University, also performs the role of director of Center for Japan Studies at Yonsei University. He’s a well-known Japan specialist in Korea.

So I think I’m going to give – ask each panelist to just give brief opening remarks, no more than five minutes or so, to set the scene for us. And we’ll start with Ambassador Kurt Campbell.

KURT CAMPBELL: OK. Well, Sue, you’ve really summarized very nicely recent events. And just as a moment want to pay respects to our good friend Victor, and congratulations on 10 years
of a wonderful program here at CSIS. I know we’ll have a chance to commemorate it later. We’re all grateful for the opportunities to gather.

It’s often said in almost every opening statement about global politics that we’re living in a strategic period of flux. You could say it here almost any time over the last 20-25 years. But I think if you look at the situation today, there is more strategic uncertainty and angst around primarily the American role in the world than we’ve seen even perhaps before the close of the Cold War. And I would suggest to you that the good way shorthand to think about it is through three numbers: 70, 40, 20. And I’ll go through it very quickly, Sue.

So if you think about the last 70 years, it has been largely about a substantial American endeavor to create and to support a global operating system that is an intricate web of strategic commitments, alliance formulations, the support for freedom of navigation, peaceful resolution of disputes, a framework that has been very good for Asia. We’ve seen the longest period of prosperity, a very strong commitment on the part of the United States to the maintenance of peace and stability, and remarkable growth throughout the region as a whole.

That period, and that framework, that has been very good for us, I would argue, is coming under challenge as never before by two nations in particular. The first is perhaps understandable. China would like to adapt parts of that framework. Parts of it had been very good for China, but parts of it, frankly, China would like to adapt and adjust towards fulfilling and supporting China’s arrival on the global stage. That’s perhaps not as big of a surprise.

I think the bigger surprise is the other main challenge has come from the United States. Many questions across the political spectrum, clearly with President Trump and his team but also on the left in American politics, questions about forward-deployed American engagement, over-ambitious American pursuits, trade, et cetera. I’d encourage all of you to take a look at this poll that just came out from the Center for American Progress that makes very clear that this once very robust group of American supporters for the so-called liberal international order has dwindled very substantially.

And I think what we all have to recognize is some of those beliefs, that most of us share, are under siege and are being questioned, particularly in the United States, as never before. And even if President Trump is no longer president, I think his biggest contribution will be to raise questions about America’s role in the world. So that’s extraordinarily important. And I think we’re only at the beginning stages of thinking about what comes next. And those who would suggest that an election could be about resurrecting the status quo ante bellum, I don’t think they’re paying attention to what’s going on inside the United States.

The second number, 40, some of us I see around the room, we were in Beijing a couple of weeks ago for the China Development Forum. At the same time, Chinese friends invited, really for the last time, the architects of engagement between the United States and China to celebrate the 40-year period of engagement between the United States and China. And I think Chinese friends did this as – to send a message of how important this period in U.S.-China relations has been.

But I think to see really these very distinguished people – mostly men really on their last legs – visiting, sent an unmistakable message that this era of engagement has come to a close, or at least we’re on the verge of entering a new set of debates about where U.S.-China relations are going. So I would say that there – one of the only areas that you find even a degree of consensus between Democrats and Republicans is a sense that the U.S.-China relationship requires deeper questioning about the way
forward. That does not mean a descent into some horrible new cold War, but questions about the framework of U.S.-China relations are at the top of the list. That’s the 40.

And 20, simultaneously, at the same time, I think there is a recognition that the United States has been deeply engaged in the Middle East and South Asia for 20 years. Rarely has a great power gone on this kind of detour with so little to show for it. Remarkably loss of money, life, prestige, for almost nothing. And actually, quite negative. I think it’s undermined American stature in the world and a broader recognition across the United States that we have over-invested, and it’s time to focus more on other regions, particular the Asia-Pacific region.

Any one of those developments would be epochal in the formulation and execution of American foreign policy. The fact that all three of them are happening together I think suggests that as we think about the Korean Peninsula, issues in Asia, the level of strategic flux and the questioning about American foreign policy pursuits has perhaps never been greater. At least at the end of the Cold War I knew where Republicans and Democrats generally would come down. I find myself currently going into meetings really having no idea where people are likely to come out on certain issues. And as much as anything, old tribal patterns tend to animate some of the strategic debates. So, Sue, as we go forward in this discussion, I think we need to recognize that the level of uncertainty about the period ahead has really never been greater.

MS. TERRY: Actually, we’re going to skip, if it’s OK, Dr. Christensen, could you also set the stage for us in terms of the strategic competition between U.S. and China, your thoughts on various Trump administration’s policies, or China — especially the trade conflict, and what you believe are the opportunities or risks, dangers, of current strategy toward China?

THOMAS CHRISTENSEN: Thanks, Sue. I wanted to start by saying something about Victor, who was my classmate –

MS. TERRY: You can do that. (Laughs.)

MR. CHRISTENSEN: – my classmate at Columbia University and my colleague in the U.S. government in the six-party talk process. And he’s really a role model, I think, for young professionals, because he’s shown in his career that you can be incredibly successful and still be humble, and that you can be a leader without being bossy, and you can be incisive without being aggressive in tone. And he really is a great example for what you can achieve both on a professional level and on a human level.

You asked me about alliances and you asked me about China. And, you know, my view is that we’re in a strategic competition with China. And people forget that our biggest advantage in our strategic competition with China is our alliances and partnerships, that there’s no other realm in which the United States has a bigger lead over a potential rival than the United States has over China in terms of alliances and partnerships. And I am concerned that the overlap of our economic policies and our security policies are playing out in a way in the region – both in Northeast Asia and in Southeast Asia – that are reducing our ability to draw our partners and allies toward us and are making it easier for China to divide our relationships with our friends and allies.

The trade war with China is very painful for some of our closest partners because of the transnational production chain in which they’ve invested heavily. I was in Singapore just a few days ago, and their exports have dropped precipitously, in large part because of the trade war between the
United States and China. That’s also – I was in Malaysia; they’re concerned about it. They’re concerned about Huawei and what it means to be – have Huawei on the entity list, and the things they sell to China, into Huawei. And they import some American parts for those things that they sell into Huawei. So there’s a lot of confusion and concern on that score.

And then there’s a broader kind of narrative about China’s foreign economic policy that is not accepted by many of our partners and allies. And that is that pretty much all of China’s foreign economic policy is predatory. Nobody’s more concerned about the negative aspects of China’s foreign economic policy than China’s neighbors, because they’ve been subjected to it. So for example, in Malaysia they were very concerned that there was a lot of corruption wrapped up in some of the investments that went to the previous government, under Prime Minister Najib. That’s been expressed publicly. But at the same time, they see China as the one game in town for getting infrastructure built. And the new government now has made a revised deal to build infrastructure.

When the United States says that all the economic policy is predatory, they’re not just criticizing Beijing. In a sense, they’re criticizing the partners of Beijing. They’re calling them prey. It’s very difficult to have good diplomacy when you’re telling someone: You have been preys upon. You have allowed yourself to be preyed upon. And most of these countries see China as an opportunity to build infrastructure. They’re worried about the downsides. They worry about the negatives. But unless the United States is bringing money itself, which is only starting to happen, it’s very difficult to sustain that narrative in a way that builds those relationships.

In Southeast Asia, some of them are allies, some of them are partners. In Northeast Asia, Japan seems nervous about the implications of the U.S.-China trade war. And it’s notable that Japan has kind of moved into the – into the gap, in a sense. Trade between Japan and China has gone up in the last two years. Investment in China has gone up from Japan. So it’s not really running in the same direction as our policy.

And the last thing is on North Korea and Iran. And the United States has to accept, and I think President Xi was trying to drive that home with his visit to North Korea, that there’s no way to put maximum pressure on either North Korea or Iran without some degree of Chinese buy-in, because China is, by far, the biggest economic partner of both. And that’s going to complicate the U.S. China relationship moving forward. I think in particularly Iran is, because we’re going to want to put maximum economic pressure on Iran.

We don’t have that much additional room to sanction Iran ourselves. So we’re going to be pressuring Chinese entities and the Chinese government to pressure Iran more. And that’s going to be very difficult in the current environment, since we’ve already got the trade war and we’ve got Huawei, which is really a multifaceted issue – Huawei. But I think the one that really got people’s attention – and I was in a track two in Singapore with a Chinese think tank just a few days ago.

One of the things that’s really gotten people’s attention in China is the entity list, which seems different than not allowing Huawei into one’s infrastructure. This seems more like we want to cripple Huawei. We want to keep Huawei from developing as a company, and we want China – to keep China from developing as a country in the high-tech area. And that seems much more like a sort of Cold War position to them than the other aspects of the Huawei case.

So that’s my basic take on it. I’ve been very interested in recent months in the nexus between economic policy and security policy. And I returned to my basic concern that I really believe we’re a
lot more powerful than China. I’ve been arguing that for years. I think China’s plenty powerful enough to spoil our whole day, so I don’t dismiss its military modernization and its growth and power. But I still think the United States is much more powerful than China. And one of the main reasons the United States is much more powerful than China is our alliances and partnerships. And I feel like we sometimes forget that our direct policies towards China have big impacts on those allies and partners in ways that can actually work against our interests and in the interests of a strategic competitor.

MS. TERRY: Thank you.

Professor Chung Jae-ho, how do you assess the changing strategic landscape of the Northeast Asian region, rise of China, China growing more formidable militarily, economically, U.S. pursuing America first principle, perhaps no longer so dependable as an ally to South Korea? We talked about all these uncertainties that Ambassador Campbell talked about. What is your assessment on the regional dynamics and the sources of various tension in the region?

JAE-HO CHUNG: Let me also start by echoing what the previous speakers have said about Victor and the CSIS Korea China program for the last 10 years.

When I got out of graduate school in the early ’90s, people used to talk about globalization, orderly society, and so on and so forth. But I think that era is probably gone. The healthy regionalism is seriously challenging it. And international liberal order is flawed now. So – and nation-states are coming back very strong. And everybody’s talking about national interest. And particularly the issue of power tradition and the reach of hegemony instability is being felt everywhere in the regional East Asia. And that is what I’m going to focus on for the next few minutes.

I think basically U.S.-China strategic competition has begun. And I think it is being manifested in the form of third-party coercion. You can even call it a regional bipolarization or even proxy competition. So pressure is coming from both the U.S. and China to the regional space. So basically the exclusivity question of are you with us, against us? I think that pressure is being felt by many countries in the region. I’ve been also to Singapore, Malaysia and other countries in February. And, I mean, people I talked to in those countries were also having that particular strategic dilemma, sandwiched between Washington and Beijing.

In the case of ROK, since 2011 we have been having about eight or nine different issues over which we had a very active strategic dilemma, starting with RCEP/TPP – the choice between RCEP and TPP – whether or not to join AIIB because Washington was against it, and whether or not to support the Chinese agenda at the CICA meeting in Shanghai 2014, whether or not to go to the three-day commemoration in Tiananmen Square in 2015, and whether or not to deploy the THAAD system in 2016, and that still continues, and then the South China Sea issue, and then Huawei, and Indo-Pacific initiative, and so on and so forth. I think the frequency will only increase down the road.

These issues are very complicated. For instance, Huawei issue, I think at least three issues are involved. First of all, the technical proof. I mean, backdoors is a possibility, but, you know, it’s very difficult to prove. Second, double standards. I think there might be some mirror image involved in this particular issue. There is also a flipping issue. For instance, among the Five Eyes countries, you don’t even have a consensus. Maybe four eyes and a wink, or even less. (Laughter.) So – and South China Sea issue, of course, ROK is a third party to the issue. But last year there was a very close encounter between American and Chinese naval ships, Decatur and Lanzhou, within 50 yards. But it was the U.S.
ship that made the first defensive maneuver. So what does that tell us about the reassurance to the region?

So there are a lot of questions which cannot be answered very clearly. And I think the strategic dilemma that regional states have about this particular strategic competition between Washington and Beijing will only continue. And that is a big problem for the regional states. I’ll stop there.

MS. TERRY: Thank you, Professor Chung.

Dr. Kim Sangjoon, can we move a little bit away from China, and let’s talk about Japan and South Korea-Japan relationship. South Korea-Japan relationship obviously still currently is one of the most troubled relationship between mature liberal democracies. And from Washington’s perspective, the continued poor relationship between the two allies really jeopardizing Korean-U.S. interests, including making trilateral cooperation over North Korea policy more difficult, while hampering to – you know, our ability to respond more effectively to China. So where are we in terms of Japan-South Korea relationship?

SANGJOON KIM: OK. So as you mentioned, the relationship between Korea and Japan is really troubled and hard. So maybe we can think of it like this, not simply the problematics or the – it’s where we can have – I can describe, I can combine three distinct areas of problems. One is, as you know, the historical problem area. And then there is about political problems. And also economic – (inaudible) – and multilateral regional – (inaudible). Why? So it’s all this distinctive area with South Korea and Japan has very, very different positions and images and understandings, I think.

First of all, for example, the – (inaudible) – South Korea will have a – the preoccupied with colonial memory. Of course there are diverse issues – so territorial issue, whatever, comfort woman issues. But basically I think it’s the understanding about past comes from this colonial memory. But Japan, however – Japan is not much about the Korean memory, but usually their war memory is fundamentally different memories. It is really hard to compromise, because they do not share the common experience. I think this is one thing.

The second one is political coordination, right, cooperation. OK, so the political coordination always I think is very, very important. A very useful meaning. But bilateral cooperation between Korea and Japan, it is not that much easier. For example, South Korea is – because basically they have different stance towards Korea, different – South Korea and Japan. So in many cases – maybe U.S. too, right – said maybe we can cooperate the political bilaterally. I think it is helpful for the alliance, the hub and spoke of relationship. But that South Korea, we have a very strong economic partner in China. So in that sense, I think we can – you can find some huge gaps between the – in terms of the political coordination, right?

And third one is also it is more it is more (tied to ?) economic regionalism. So, OK, it is – (inaudible) – like EU. All Asian people are – (inaudible) – EU, like European Community. But, you know that if you look into the two different economies, right, the South Korean is fundamentally – you know, 80 percent of our products is going to export to immediate global market rather than regional market. And Japan is more – you have a huge domestic market, and then there was a long history of regional economic integration without formal institutional regionalism.

So all three distinctive areas we have fundamental differences, I think. So nonetheless, right – nonetheless, I think as leaders on both sides pursue the diverse scenarios, actually, and the cold period,
but I think there is only one option worth pursuing – for example, political coordination. As you know, 1965 Korea – (inaudible) – as political coordination they even lowered – (inaudible) – issue, and then at that time the regionalism didn’t emerge.

So then in post-war period, all other aid scenarios emerged. So, like a Pandora’s box. Why? Is because even if you have three distinct areas, and – (inaudible) – we can easily have the (aid ?) cases, right? And then some people, for example – (inaudible) – for example, he only emphasized the economic regionalism, right? In Kim Dae-jung’s case, he emphasis on the past, solving the past issue, and then regionalism. Maybe kind of Asian-centered ideas, right? And then some – (inaudible) – South Koreans also only focused on the past issues.

So some people – and here, again, and people are, OK, maybe U.S. supporting – U.S. supporting the political coordination best, rather than the economic integration or the past – (inaudible) – right? So, OK, all these (aid ?) different cases, so political leaders pursued, they implement their political philosophy and leadership. But actually right now, and in all three mentioned areas and nothing is pursuing with a strong way, I think.

OK, so I think South Korea is not – now I think it is the 10th anniversary of the Korea Chair here. So but we are in the middle of (agony ?), I think. So Korea has a problem of past with China, and current problem with North Korea, actually and future problem with China. So I think we are facing some difficulties, especially with China, and same with Japan.

MS. TERRY: Yes, yes, yes. Could I ask about President Trump and foreign policy – President Trump and his foreign policy, and how do you think maybe the region is seeing him or interpreting President Trump’s foreign policy? So for example, how do you think Trump’s action in Iran – or, regarding Iran last week are seen by China and North Korea or so, you know, our allies as well in South Korea and Japan? Does President Trump’s reversal or backing off from attacking Iran – at least with North Korea and China, does it undermine his credibility at least with those countries, or undermine potency of his threats with China and North Korea? You know, is there a danger of Trump looking like a paper tiger? I’m not saying it was a wrong decision, it probably was the right decision. But regardless of that, the question is: How is his foreign policy interpreted, do you think? How is China seeing this, for example?

MR. CAMPBELL: You know, Sue, it’s – (laughs) –

MS. TERRY: You were talking about uncertainties, and we’re just adding more.

MR. CAMPBELL: Yeah. I mean, I would love to know how leaders fundamentally make judgements on these issues. And it’s difficult to make clear assessments from what we know. My assumption would be that they view President Trump as deeply unpredictable, somewhat transactional, and that you need to appeal to his sense of his personal role, potentially financial relationships more generally, and things that make him look strong. So I think many of the leaders around Asia initially felt relatively confident that they could figure out a way to engage with him.

I think over time – we’ve talked primarily about the trade issues with China, but we have to recognize that there are very substantial trade issues with Japan. I mean, real threats have been issued against Japan. We have not focused at all on India, what the Trump administration has done with India just since Prime Minister Modi was reelected is very worrisome. And I think South Korean friends are
always anxious that at a moment’s notice there could be questions about the trade or the host nation support.

So I think probably the watchword is deep unpredictability. I don’t think anyone views – I think the wrong lens is that somehow the president is, you know, not prepared to follow through. I think the leadership in Asia knows that at a moment’s notice the president could do something profoundly –

MS. TERRY: Unpredictable.

MR. CAMPBELL: – and dangerous that could lead the region into a – into a – into an unpredictable phase ahead. So that would be my sense. But there are those – I’ve talked to some Japanese friends who feel that they understand the president, and that they think we have a good relationship with him. I would say to those friends, good luck. But I – (laughter) – I think if this goes on very much longer – I mean, every country is trying to develop a nuanced strategy that involves engaging United States, that involves developing some independent capability, working with other like-minded states. And, as importantly, despite what any country is saying upfront, I think every country’s trying really hard to develop more predictable relations with Beijing.

Over the longer term, I accept Tom’s assessment, but I will say that the – that the debates about whether the United States is the strongest and unquestioned leader in Asia or whether the United States is in the midst of a hurtling decline, I can find reasonable very smart people that will debate across that spectrum.

MS. TERRY: Dr. Christensen, do you agree with –

MR. CHRISTENSEN: Oh, yeah. No, again, I – you know, I’ve been writing for a long time that China doesn’t need to be an equal of the United States to spoil their whole day. And I take China’s power extremely seriously. I think there’s too much emphasis in my field, as an academic, and I think in the political world, to say that a country has to be, you know, the same height as another country to pose a challenge. And we’ve been fighting much weaker actors in Central Asia and in the Middle East for a long time to no avail. And China’s certainly more powerful than any of those states. So I’m not dismissing Chinese power.

But what I’m trying to emphasize is that we do have certain advantages over China. And we sometimes take them for granted. And I think that we can harm those relationships that give us the advantages over China by treating the bilateral relationship with China without paying attention to the impact that that bilateral relationship has on those partners and allies. And I was in South Korea a couple weeks ago and I heard it there too.

They’re nervous about this choice that Dr. Chung raised, that – this choice that it seems that at least some elements of the U.S. government are asking of our friends and allies. You need to side with us and not with China. They don’t want to make that choice. They don’t need to make that choice, from their own perspective. And by asking that, we sort of weaken our relations with them. We need to be more sophisticated than that. And the biggest and most direct impact is in the economy.

You know, you raise this stuff – the question about Iran. I don’t know what individual leaders draw in terms of resolve. I can say that there’s probably a lot of relief in the region that there wasn’t a conflict in Iran for a couple of reasons. One is that energy prices obviously would spike, and they’re
much more dependent on the Middle East than the United States. But a second reason is they don’t want more distractions, to use Kurt’s term from his book “The Pivot.” They don’t want the United States to be tied down in the Middle East. They want the United States to pay attention in Asia.

But I agree with things that Kurt said about uncertainty. There is just incredible uncertainty. I felt it in Malaysia. I felt it in Singapore. And I felt it in Korea in the last few weeks. And then there’s uncertainty in Korea. And that’s something that concerns me, is that – you know, it seemed to me, from what I was reading while I was there, that President Trump is very popular with the progressives and he’s really disliked by the conservatives in Korea, because they don’t think he’s tending to the alliance. He cancelled the exercises and he seems like he’s too soft on North Korea. And progressives love him because he has the summits and because of the things he said in Singapore after the first summit.

But I worry about that because my expectation – I’m not – you know, people said they don’t make predictions. My colleague Juliana Vono (ph) from the State Department, she doesn’t make predictions. My prediction is the Trump administration’s going to become disappointed with North Korea. And then I don’t know who’s left in South Korea who’s going to be close to the United States, because the progressives are going to be disappointed when the Trump administration gets disappointed. And the conservatives are already disappointed.

And that worries me, because I think the U.S.-ROK alliance, here we are, look at the title, is an extremely important thing for both South Korea and the United States. And I worry that there’s too much uncertainty now. And I really think cancelling exercises was a bad idea. It was a really bad idea, because to restart them now is to make a political message about something that should just be normal.

MS. TERRY: Well, just following on North Korea, you said on North Korea there’s no way to – on North Korea and Iran – there was no way to exercise maximum pressure, particularly on North Korea, without China’s buy-in. Where do you think China is with this? I mean, following Xi Jinping’s visit to North Korea.

MR. CHRISTENSEN: I agree with what Victor said. I think China’s playing a long game with North Korea. It’s going to be building infrastructure. It’s going to include North Korea in all these things. And, you know, I did something that is very dangerous for an academic to do in 2017-2018. I praised the Trump administration, because I think they did a very good job of getting Kim Jong-un to the table in Singapore. But I felt – you know, and I said, they had to do two things to get China to pressure North Korea to get to the table.

And they had to do two things at once which are kind of opposite. And President Trump had unique capabilities on this score. They had to credibly threaten conflict. And I think a lot of us were very concerned that there was going to be conflict in late 2017 on the Korean Peninsula. And at the same time, they had to convey that they didn’t care about the North Korean regime and they weren’t going to try to seek to overthrow it. And it’s very difficult to do those two things at once. And the Trump administration was able to look aggressive enough to go to war and indifferent enough to say they would live with the Kim regime if they just gave up their nuclear weapons. And that’s the magic combination for getting China to pressure North Korea.

The problem is, in Singapore he declared victory and, predictably, according to public reports, China reduced the pressure. When China reduces the pressure, there is no maximum pressure on North Korea. And I don’t expect that pressure to go back up again in a hurry, because I don’t think he can –
he can – the president can then create that combination of credible threat and credible indifference in the future, the way he did in 2017-2018. And I can tell you, in academia to say that – the Trump administration is doing this right – boy, you know, you really pay a price. (Laughter.)

MS. TERRY: Dr. Chung and Dr. Kim too – Dr. Chung talked about South Korea’s difficulty on, you know, THAAD issue and South China Sea, Huawei. And Ambassador Campbell talked about this consensus forming in U.S. on China, just – at least about the framework. And I agree, I think this is sort of this multipronged strategy on China. There’s a strong bipartisan congressional backing. There’s backing among the elites. I think regardless who becomes – who gets – you know, if Trump gets reelected or there’s a Democratic president, this is sort of – I think it’s – this is sort of long-term here to stay.

Where is South Korea in terms of – you know, South Korea was able to hedge, to be honest, right, over – between China and the United States on all these issues, particularly sort of hesitant to take action or to go about things that if South Korea is not actively involved in – like in South China Sea, regarding China’s actions in South China Sea. Where can South Korea go with this? Can they just continually hedge, or what is South Korea’s – given this reality of uncertainty?

MR. CHUNG: If you look at East Asian states, most of them are hedging, you know, except for Cambodia and Laos, which are bandwagoning. Except for – I don’t know about Japan, Taiwan. But, you know, most of the East Asian states are hedging. But hedging is a very elusive concept in international relations. Unlike balancing or bandwagoning. It could be a midpoint between balancing and bandwagoning, or it could be a mixture of balancing and engagement, it could be intermittent switching of sides. It could even be issue-based selective support, or any combination of these.

But I think East Asian states which have been hedging have recently realized that it comes with more costs now, because China particularly is trying to impose higher costs to the countries which do not comply with its own priorities. I think many countries have experienced it – Mongolia, Philippines, Japan, Taiwan, Korea, even Palau. And so it’s difficult, because many of these countries have very high dependence on trade – for trade on China. And I think China knows exactly where to apply pressure. You know, that’s why I think the term soft power comes in – although I think “soft power” is a terrible term. But it does have some interesting analytical utility.

As for South Korea, I don’t know. Recently a new unit has been established within the Ministry of Foreign Affairs just to deal specifically with the strategic dilemma between Washington and Beijing. So it tells how seriously the ROK government is taking this issue.

MS. TERRY: Could I ask just one more question, and then I’ll open up to the floor. I’m sure there are many questions you have. I wonder – could we talk a little bit about Hong Kong and Taiwan in terms of Taiwan’s view on Hong Kong? To what extent does Hong Kong demonstrations, which was just remarkable to see, may have – what kind of impact did it have? Did it have a negative impact on the Chinese government? And to what extent do you believe that Hong Kong demonstrations may have galvanized maybe Taiwan’s will to either defend democracy or independence? How will the events in Hong Kong perhaps impact the presidential race in Taiwan, and China’s hope to put a – you know, hope for a more pro-PRC government to emerge in Taiwan?

MR. CHRISTENSEN: Me?

MS. TERRY: Well, for you, and maybe Kurt, and anybody else.
MR. CHRISTENSEN: OK. So, you know, I can respond. I’ve always said to my students that Hong Kong is a losing bet for Beijing in its relations with Taiwan, no matter what. So Deng Xiaoping set up this one country two systems idea for Hong Kong with Taiwan in mind. And people in Taiwan across the political spectrum said: This has nothing to do with us. Hong Kong was a former colony. And now it’s being turned over to China. We’ve always have always had sovereignty. You know, people in Taiwan define sovereignty differently – either as Taiwan as a nation or as the Republic of China if you’re in the Pan-Blue camp. But they all believe they have sovereignty. So Hong Kong doesn’t matter, unless Beijing screws up in Hong Kong. Then it matters a lot, because then people will turn and say, you just can’t trust Beijing. So it’s only a losing proposition for Beijing. If it handles Hong Kong really well, people in Taiwan say it doesn’t affect us. If it handles Hong Kong very poorly, then everyone in Taiwan says: You see? You can’t trust Beijing, and we can’t really.

So I think the DPP and the pan-Green coalition in Taiwan received two large political gifts this year in their electoral prospects for early 2020. And one was President Xi Jinping’s speech in January of 2019 in which he emphasized one country two systems a record number of times in his speech, which was never, as I said, popular in Taiwan, and is seen by everyone as kind of unacceptable. And then the second was the Hong Kong issue, with the extradition. And I think that’s another reminder to people in Taiwan about the difficulties of reaching a settlement across the street. And it undercuts the position of those who want to have a more accommodative stance towards the mainland and the electoral campaign. So I think those are both – I still don’t know how it’s going to play out. There’s so many candidates. But I think President Tsai is probably in a better place than she was before those two events, by quite a large margin.

MR. CAMPBELL: I would agree with Tom. I would just say, though, it would be hard to underestimate what a substantial setback the developments in Hong Kong had been for President Xi. I just think it’s very easy for us to underestimate the impact that’s had on his leadership. I think when you talk to friends inside the U.S. government, I think several of them had been surprised that the issue that is often raised first is not tensions on trade or North Korea, is Hong Kong and the American role there. Tom could perhaps say more about that.

I would say that what we are seeing – I think President Xi’s decision to go to North Korea could actually have been impacted not so much by President Trump but, you know, if you’re looking for a way to assert your stature, you’ve got to find some place that you can go without any chance of something going wrong. Probably the only place on the planet for President Xi that could accommodate that at this time is North Korea. (Laughter.) And so I think it’s entirely likely that one of the reasons he chose to go to North Korea is because of a sense of a very substantial set of setbacks in Hong Kong.

MR. CHRISTENSEN: There were no protests in North Korea against him.

MR. CAMPBELL: Shocking. (Laughter.)

MR. CHUNG: I lived in Hong Kong from ’92 to ’96. Back then, I think many Hong Kong people had this idea that Shenzhen, which is a neighboring city on the mainland, would eventually be assimilated into the Hong Kong way of life, and eventually the main – the whole mainland will be assimilated to Hong Kong. But now this is actually the other way around. Hong Kong is being assimilated into the Chinese way of thinking and living. So when 20 years ago the Chinese – Hong Kong actually had the conviction that the Chinese government will probably live up to the letter and
spirit of the Beijing law, no change for 50 years, but I think that day has come. And now they talk about today Hong Kong, tomorrow Taiwan, and many other states in East Asia the day after.

MR. TERRY: OK. We will open up to the floor. I think we have some – 20-some minutes. Gentleman over there. Could you please identify yourself? Brief question.

Q: Yes. Jaemin Baek from Albright Stonebridge Group.

My question was surrounding kind of forecasting how both the Blue House and the White House will be conducting foreign policy in 2020. It will be the election year for both countries. The National Assembly will be having elections in April while the U.S. presidential election will be having – will be happening in November. How do you anticipate that this very highly politicized time, for both, you know, the Americans and the Koreans, especially seeing as the National Assembly is under gridlock, will impact foreign policy decision making both in bilaterally and not only that, but in the East Asia-Pacific region as a whole?

MS. TERRY: OK, let’s take a couple. Like right next to him, and then I think there was one – yeah.

Q: Congratulations to all the panel. It’s been excellent. My name is Igan Salpas (ph). I am at Georgetown University.

There have been some collaboration between China and Russia on different issues in recent years. But it seems clear to me that this year, in the case of Venezuela and with the recent visit – the meeting of the two presidents, the collaboration between China and Russia have been increased clearly. It’s open now. Which are the consequences of this new collaboration for the Korean Peninsula? Thank you.

MS. TERRY: There is a question here.

Q: Hi. I’m Peter Humphrey, an intel analyst and a former diplomat.

I’m imagining a day in which we lock up a couple million Muslims in the U.S., bulldoze a couple hundred of their mosques, the fury around the world would be beyond comprehension. Embassies would burn. Diplomats would be assassinated. Tourists would be at risk every second of every day. So I’m wondering why China gets a pass. And the significance of this is China is creating the next generation of Muslim terrorists. And it’s taking way too many lessons from the North Koreans about how to construct these camps and run them. Where’s the global outrage? When do we start standing up and saying: No, you don’t get to run the affairs of a quarter of mankind, you have lost legitimacy? Why is that so hard for us to realize?

MS. TERRY: So we have three questions. The Blue House, White House, election consequences, China-Russia relations impact on the Korean Peninsula, and the last question, global outrage on China. Who wants to – yeah?

MR. CHRISTENSEN: Professor Kim hasn’t spoken in a while.

MR. CAMPBELL: Professor Kim.
MS. TERRY: Oh, you want to just give him the difficult questions? (Laughter.)

MR. CHRISTENSEN: I’ll talk about the Uighurs, if you like, eventually. Yeah, I don’t mind talking about the Uighurs.

MR. KIM: OK, so I just have one thing, right, about the Japan-related. So the wider – unrelated to the questions, but the last one is very important thing is always thinking about the bilateral things, the multilateral things, right? So Japan is really important – the cooperation between Korea and Japan is really important – the multi, bilateral is really very important. Otherwise, it’s create triangulations that really burden to the South Korea and Japan too. So the role of U.S. is really important. But how to, without burdening – or rather burdening the U.S., South Korea, and Japan, right? It is more fuller relationship, much more important. Otherwise, the recent Xi Jinping visiting North Korea has created huge hard blocs, divided into two, right, in the East Asian region? I think that’s the concern.

MS. TERRY: Go ahead.

MR. CAMPBELL: So to the question on – the very good question on China and Russia, I actually think that the dynamic between Beijing and Moscow has been in play, as you suggest, for a longer period of time than we’ve really focused on. I believe is it more overt now. And I think I’m struck by how little this dynamic both animates our foreign policy, but the foreign policy in the region as well. So, you know, one of the developments that I think we’ve seen in the last week is a recognition on the Japanese side that the hopes for a breakthrough finally between Japan and Russia is not going to come into being. They’re going to be able to come to terms of the status of the islands.

But fundamentally, our interests would be to try to see a better relationship between Japan and Russia so that the sole line of engagement for Russia is not through China. And the problem here is, in fact, that, frankly, maximalist Japanese desires in negotiations. We should try to find a way forward so that Japan and Russia can find some middle way to work together in the Asia-Pacific region. Ultimately, if the Russia-China relationship forms in such a way that they reinforce each other in different spheres, it’s very bad news for the United States more fundamentally.

You would think deep down that the anxiety in Russia over China’s future would be enough to cause hesitations in Moscow. But it’s not the case. The animosity and distrust and fundamental animus towards Washington is so great that it overcomes any concerns about working with China in the immediate and near term.

MR. CHRISTENSEN: I would just say something about Russia and China. It’s been my impression for a long time that what brings Russia and China together is not balance of power politics. What brings Moscow and Beijing together is their mutual aversion to American regime change diplomacy.

MR. CAMPBELL: Yeah.

MR. CHRISTENSEN: It’s the bipartisan fetish for regime change and color revolutions that have brought them together. But even within that situation, there’s a difference between Beijing and Moscow, I believe. So if you look at Venezuela, Beijing and Moscow have both said they don’t want the United States to intervene politically, militarily, or otherwise. That’s traditional sort of bumper sticker diplomacy of both capitals. But it seems like Moscow has sidled up to Maduro much more than
Beijing. Beijing has kind of said: Let it play out the way it’s going to play out. We’ll get along with whoever comes out of it. Washington, you stay out.

And I think that’s really the difference between Moscow and Beijing, is that Moscow is not a peer competitor. There’s a RAND report that says: Moscow is not a peer competitor of the United States. It’s not a near-peer competitor of the United States. But it’s revisionist in terms of ideology. It’s trying to spread authoritarianism. Whereas China is a – China is a much stronger competitor of the United States, but it’s not actually exporting authoritarianism in an active foreign policy. If that were to change, that would be very significant.

And the excellent question about Xinjiang. I was in the Malaysia and I raised this question at a meeting in Malaysia. I said – you know, I was sitting in a room with graduate students and scholars and, you know, seven women in hijab. And I said: You know, why is it that Malaysia hasn’t taken a tougher position on what’s happening in Xinjiang? It’s a mystery to me. And if you look at the Belt and Road Initiative, it goes in all directions through Muslim-majority countries. This ought to be costing China a lot more in its diplomacy than it has. And maybe it will over time.

The only country that’s really spoken up is Turkey. And my sense is that President Erdogan, he’s raised this not so much as a religious freedom issue, but as a Turkish national issue, because the Uighurs are Turkic, right? So that’s not really the principal message you want to get out there. I’ll just say, out of sadness about my own country, we’re not in a very good position to lead that kind of international response because of our policies towards Islam around the world in recent years. It just is unfortunate. We ought to be in a great position to go to capitals, to point out to Beijing that it’s going to harm its own relations, that this is no way to solve these problems. And I’m sure we’re doing that, but I think we have a lot less leverage in that process than we should because of things like the Muslim ban. So it’s just unfortunate.

MS. TERRY: Professor Chung, do you want to address this question about Blue House –

MR. CHUNG: Can I say something about the election?

MS. TERRY: Yeah.

MR. CHUNG: I think in Korea, generally speaking, a National Assembly election is more backward looking in nature. In other words, people – voters tend to look at what the past performance of each party was, particularly in economic terms, while the presidential election is more forward-looking, therefore North Korean issue, foreign policy, may figure more prominently. So unless something happens in terms of whether it’s a small, middle, or big – any deal regarding the North Korea nuclear issue happening, and a timing that is closer to the election date, unless that happens I don’t think, you know, non-economic issue will loom large in the National Assembly election.

MS. TERRY: Great. Take a few more questions. We’ll get a cluster here.

Q: Richard Goldman, CBP, retired.

Best-case scenario, from my standpoint, we survive the next 19 months and we have a new administration. What’s the long-term penalty box for the United States foreign policy and destruction of the State Department? How long do you think it’ll – it will take to recover? And how much encouragement should we expect? (Laughter.)
Q: Thank you. Dong Quiyi (ph) with China Review News Agency of Hong Kong.

My question is for Secretary Campbell and Christensen. Mr. Campbell was talking about a question and debate in United States about the U.S. engagement policy with China. I’m wondering if you believe the U.S. one China policy framework, which is based on communiques and (PR ?) is being challenged and questioned in the United States. What will be the consequence if it’s really changed? Thank you.

MS. TERRY: There’s one more, right there.

Q: Good afternoon. This is Marti Van Degn (ph) with NewsNet news.

Approximately an hour ago the State Department announced that U.S. Special Representative for North Korea Stephen Biegun – I hope I’m pronouncing it correctly – will travel to Seoul June 27th through 30th and meet with Republic of Korea officials before joining Secretary Pompeo for the president’s visit to Seoul. This seems to be an add-on to the initial group of folks, I guess, that were scheduled to go there. And I will be happy to listen to anyone’s comment on what they think this might be added on here for, and what it either foresees or it doesn’t. Thank you.

MS. TERRY: OK, we have the three questions: The consequences of the Trump presidency on foreign policy, one China policy, whether it’s being challenged, and then Steve Biegun joining the team.

Yes.

MR. CAMPBELL: I’ll start with the first good question. And everyone’s going to have a different view on this, but I think – I think there are some very hard lessons ahead for the United States. This would be my view. The first would be that you look at a succession of reasonable bipartisan administrations, Democratic and Republican, and you look at the status of certain kinds of negotiations. And then you look at President Trump. And you have found that in a lot of circumstances countries have put more on the table than we would have anticipated – particularly China, but other countries would also be in that case. So the lesson there is you treat countries reasonably, responsibly, they are miserly in some of their approaches. You act difficult and unreasonably and at least in the short term that can be potential positive outcomes on the trade front in particular. I think that’s a bad lesson, but I think it is a lesson that some would take.

And I do believe that there are going to be elements of Trumpism that will continue. And I take not – I take not pleasure in that. And I think it’s going to be difficult. But I think he’s had a much
more profound impact on America’s role in the world than we realize now. And I think there will be a deep, fundamental rethinking of how you link up what the middle class wants in the world to what a new administration does. So I’m not sure I know what’s going to go forward, but I’m certain that it will be much more difficult to resurrect a deeply predictable, confident set of interactions between the two sides.

And to the question about one China policy, I think the questions are much more fundamental about U.S. relations with China, about technology policy, about trade, as Tom and others have suggested. I don’t think that is the fundamental debate. In the past, that may have been an issue that occasionally was debated on the sidelines. I think fundamentally right now it is about the core issues between the United States and China on economic trade policy.

MR. CHRISTENSEN: Yeah, so I wanted to – I wanted to say something about the people leaving the State Department. You know, it was one of the great honors of my career to serve briefly in the State Department for a couple years with the Korea professionals that are there. I’m looking at Kathy Stephens here, people like that. It was just an incredible experience. And it’s an underappreciated asset for the United States in the security realm that these people who learn foreign languages, spend a lot of time abroad, get – build relationships, and really understand strategy and policy across administrations. And they’re there, and they’re an anchor and a ballast in our foreign policy. When people like that leave, it’s extremely damaging.

You can’t just replace them overnight, because you can have a very smart person, you can get another very smart person in there. You can get another very highly educated person in there. But to build the experience that these people have is very, very difficult and time consuming. So I think of my colleague, in my former deputy, Susan Thornton, who served 30 years in the State Department. You can’t just replace Susan Thornton. She speaks Russian and Chinese. She’s spends all this time around the world. She gets it, right? So when she leaves, it’s a big damage. And we spend a lot of time thinking about the military and not enough about the foreign service.

On the one China policy, I’d just say, you know, I don’t want to go into a pedantic lecture about the one China policy versus the one China principle, but the U.S. one China policy is not the same thing as China’s one China principle. And it’s not the same thing in a very important way, in that it’s very flexible, the U.S. one China policy. Different things can be emphasized and be consistent with the one China policy. And I would expect, as administrations change and as challenges arise, different parts of that to be emphasized. For example, arms sales to Taiwan. They may go up because the military challenge, but that’s consistent with the one China policy.

If you’re saying, will the United States fundamentally break out of that – the broad constraints of the one China policy – and it is imaginable. I can tell you how that would happen, if it were to happen. I don’t think that’s going to happen, because I think people would realize that it would not be in anyone’s interest, and it would not be in Taiwan’s interest. And that’s the most important thing. So I often say that everybody in the United States loves Taiwan. Some Americans want to love Taiwan to death. (Laughter.)

MR. CAMPBELL: Just one other thing. This point about – I agree with Tom. And the State Department really is a fantastic institution. And there is real damage that’s been done. But it’s not going to be enough to say it’s going to take us 20-25 years to rebuild. We will not have that luxury. So there needs to be some really insightful looks at how other institutions have rebuilt quickly under duress. I think some of that is going to require some mid-career hires, taking some lessons from
business, other institutions. The military is an example. We have in certain periods rebuilt. It’s not just money. It’s now you retain, how you go forward. We’re going to have to look at some of those policies and see how what we could do to try to rebuild the State Department as we go forward. But it’ll be very difficult, because by nature these are things that, you know, take 15, 20, 25 years.

MS. TERRY: Any other comment? Are we – I feel like you have one more comment?

MR. CHRISTENSEN: No, I just wanted to, again, thank Victor Cha for being who he is, and providing this opportunity. Because I know that the chair is bigger than the man, but, you know, he’s been in the chair since it started. And so – you know, I just – maybe a round of applause for Victor. (Applause.)

MS. TERRY: So I think we are about to go and celebrate and have a reception. So thank – I want you to join me thanking the panel for this excellent discussion of the region. (Applause.)

(END)