

Rising Instability in East Asia and Prospects for a Lasting Peace

Thursday, 6 March 2014

Ifri Conference Hall

Paris, France

Conference Summary

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NOTE: This is a summary of comments provided during the discussions and not a verbatim transcription. Any misrepresentation of the individual speakers' comments is the responsibility of the authors of this summary and not necessarily the individual speakers themselves. None of the comments represented here constitute a view or position of Ifri.

Highlights of the Discussions

The shifting balance of power and security architecture in the region

- The security of Northeast, Southeast and South Asia are now closely interconnected in what can be called a security complex, wherein the rise of China has played a structural role.
- Within this interconnected environment, the risk of conflict is rising as increased threat perceptions and unresolved issues left over from the Second World War have poisoned many of the relationships between regional powers and their neighbors.
- An arms race in the region is now clearly underway, as defense budgets rise and militaries undergo modernization.
- This arms race is fuelled on the one hand by concern over the rise of China, its diplomatic assertiveness in recent years, rising Chinese nationalism and the country's military modernization. Examples include Japan's revision of its national defense guidelines and the enhancement of Vietnam's naval capabilities.
- On the other hand, the arms race is driven by China's fear of encirclement on the part of the US and its allies in the region, particularly since the announcement of the US strategy of "rebalancing" towards the Asia-Pacific, and the perceived need on the part of China to become a maritime power and develop anti-access/area-denial weapons capabilities to deter the US navy from the region.
- The US rebalancing strategy has put many states in the region in a position where they must clarify their strategic positioning between the US and China.
- The economic integration of the region, meanwhile, has both stabilizing and de-stabilizing effects, and one should take pre-WWI Europe as a warning that economic interdependence is not a panacea for armed conflict.
- Progress in the negotiation of regional free trade agreements, particularly between China, South Korea and Japan, can be considered a positive development for stability in the region.
- Nevertheless, regional economic asymmetries (wherein China, Japan and South Korea account for 70% of the East Asian regional economy) could still lead to competition over regional economic governance, whereas control over access to strategic goods and energy resources could breed more zero-sum competition. Meanwhile, the general economic dynamism of the region also lends itself to military modernization, creating a more high-stakes security dilemma.

Regional flashpoints and the risk of conflict in East Asia

- Within an increasingly tense security environment, three major security flashpoints are of concern today: the East China Sea (ECS), the South China Sea (SCS) and the Korean Peninsula.
- Cross-strait relations between Taiwan and mainland China have traditionally been viewed as a major flashpoint for conflict in the region, but since 2008 tensions have calmed. This may allow Taiwan to play a more proactive role in calming tensions in other regional hotspots.

- The calming of cross-strait relations could also prove to be a factor of increased tensions in the East and South China Seas, as Beijing seeks legitimacy through foreign cause in the face of growing nationalism at home.
- In the East and South China Seas, nationalism, competing sovereignty claims, competition over maritime resources (oil, gas and fish), military modernization and increasing geopolitical competition between the region's major powers (notably the US and China) are the primary drivers of tension.
- China's declaration of an ADIZ over much of the ECS has only increased tensions, and some expect that it is only a matter of time before China declares an ADIZ over the South China Sea as well.
- In the Korean Peninsula, the situation has seemingly become more precarious with the Kim Jung Un regime. On the nuclear issue, North Korea now makes it clear that it has no interest in giving up its nuclear weapons. Meanwhile, a lack of momentum and competing priorities on the part of the concerned parties have forestalled progress.

Regional peace initiatives and codes of conduct

- The outlook on regional peace initiatives and codes of conduct in the region is debatable but largely gloomy at this point in time.
- There is generally a lack of political will in the region to confront the issues at hand and a lack of confidence in other concerned parties to adopt and apply international norms.
- Nevertheless, ASEAN-centered summits and regionalization initiatives do provide room for multilateral negotiations and dialogue.
- Moreover, the current case presented by the Philippines against China in international court could present an opportunity to turn a new leaf, depending on how the decisions of the case are received and applied.
- In the case of joint resource management, while oil and gas do not seem promising prospects for cooperation for the time being, the common perception of the need to protect fisheries does provide for an opening.
- In the East China Sea, Taiwan is also pushing for a peace initiative that would shelve the sovereignty dispute and focus on confidence-building measures and joint resource management. Here, the ability of Japan and Taiwan to conclude a fisheries agreement after 16 years of negotiation could also be seen as a positive development, though its implementation has not been easy.
- In North Korea, meanwhile, resolving the nuclear problem should not be dissociated from the larger problems associated with North Korea itself. While there is a sense of urgency, it should be stressed that the process is one for the long term. A gradual transformation of the North Korean regime may be the only solution for the North Korean nuclear program.
- What is needed on North Korea is a more proactive denial strategy on the nuclear issue with a well-calculated, balanced mix of carrot and stick, wherein robust and reliable deterrence is the starting point. In this context, a coalition and cooperation among the concerned parties is essential.

Europe's role in promoting stability in East Asia

- East Asia remains a vitally important region for Europe and France in particular, both in obvious trade terms, but also in the diplomatic and security arenas.
- France in particular remains committed to contributing to stability in both the Indian Ocean and Pacific regions, where its place on the UN Security Council and within the UN Command Military Armistice Commission in Korea, its territorial presence in the Indian Ocean and the Pacific and its alliance with the United States give it a particular role.
- Beyond its trade agenda, the European Union is seeking a greater balance between political and economic relations with Asia, notably by proposing a political framework of human rights, transparency on fiscal and budgetary matters (including military spending), and an agenda for non-proliferation. The European External Action Service in particular is actively pursuing deeper engagement in East Asia on regional stability, crisis management and enhanced bilateral cooperation.
- Meanwhile, France and European countries are faced with budgetary constraints both at home and in Washington. In this context, a US policy of rebalancing puts more pressure on Europe to shoulder greater responsibility for the security issues that concern it most directly. Strategically speaking, however, these obligations do not mean that France and Europe are not concerned and obliged by what is happening in the rest of the world.
- Within the geopolitical context of East Asia, critics note that the EU's proximity to the US could damage its credibility as a conceivably neutral actor. The Europe-Asia dialogue on security is too often viewed through a transatlantic lens, and the EU and European countries could gain from taking a "third way" diplomatic line.
- Nevertheless, for some, Europe remains geographically remote and therefore a marginal power in the region. In this sense, increasing dialogue with Asian powers present in regions closer to Europe both geographically and historically (for instance in Africa) may be fruitful. For instance, this could provide opportunities for European militaries to open channels of dialogue with their Chinese counterparts concerning, at first, issues outside of the East Asian region.

Rising Instability in East Asia and Prospects for a Lasting Peace

Conference Agenda

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Welcoming Remarks

Dominique David, Executive Vice-President, Ifri

Opening Address

Christian Lechervy, Advisor for Strategic Affairs to the President of the French Republic
Theme: *East Asia's shifting strategic landscape – Implications for regional stability and for France*

Panel 1. Mapping the shifting balance of power and security architecture in the region

Chair: **Dominique David**, Executive Vice-President, Ifri

- **Barry Buzan**, Professor Emeritus of International Relations, London School of Economics
Suggested theme: *Patterns and drivers behind shifting balance of power*
- **Fu-Kuo Liu**, Executive Director, Center for Security Studies, National Chengchi University
Suggested theme: *Evolution of military power in the region*
- **Saadia M. Pekkanen**, Professor, Jackson School of International Studies, University of Washington
Suggested theme: *Economic-security nexus in East Asia*

Panel 2. Flash points and the risk of conflict

Chair: **Justin Vaïsse**, Director, Center for Policy Planning, French Ministry of Foreign Affairs

- **Ian Storey**, Senior Fellow, Institute of Southeast Asian Studies, Singapore
Suggested theme: *Driving factors of frictions in the South and East China Seas*
- **Valérie Niquet**, Senior Research Fellow, Head, Asian Studies Department, Foundation for Strategic Research, Paris
Suggested theme: *China's rise and implications for regional security flash points*
- **Choi Kang**, Vice President, Asan Institute for Policy Studies, Seoul
Suggested theme: *Recent evolutions in the Korean peninsula and the way forward with North Korea*

Discussant: **Alice Ekman**, Associate Research Fellow, Center for Asian Studies, Ifri

Panel 3. Regional peace initiatives and codes of conduct

Chair: **Nadège Rolland**, Principal Advisor for Northeast Asia, Delegation of Strategic Affairs, French Ministry of Defense

- **Yoshihide Soeya**, Director, Institute of East Asian Studies and Professor of Political Science, Faculty of Law, Keio University
Suggested theme: *Prospects for the development of regional security mechanisms in East Asia*
- **Jusuf Wanandi**, co-founder of the Center for Strategic and International Studies (Indonesia), and co-chair of the Council of Security Cooperation in Asia Pacific, Indonesia
Suggested theme: *ASEAN's role in regional stability and formulating peace initiatives*
- **Mien-sheng Hsu**, President, Institute of Diplomacy and International Affairs, Taipei
Suggested theme: *Taiwan's East China Sea Peace Initiative*
- **Richard Cronin**, Director, Southeast Asia Program, Stimson Center, Washington D.C.
Suggested theme: *Prospects for joint resource management in resolving maritime territorial disputes in East Asia*

Panel 4. Europe's role in promoting stability in East Asia

Chair: **Françoise Nicolas**, Director, Center for Asian Studies, Ifri

- **Viorel Isticioaia-Budura**, Managing Director for Asia and the Pacific, European External Action Service
- **James Hoare**, Senior Teaching Fellow, SOAS, University of London
- **Daniel Keohane**, Senior Researcher, Head of Strategic Affairs, FRIDE

Suggested themes: *What kind of role for the EU in East Asian security matters, and how can it support peace initiatives in the region?*

Discussant: **Michel Ching-Long Lu**, Representative, Taipei Representative Office in France

Concluding remarks – **Thierry de Montbrial**, Founder and President, Ifri

France and East Asia's Shifting Strategic Landscape

Christian Lechervy, Advisor for Strategic Affairs to the President of the French Republic
Theme: *East Asia's shifting strategic landscape – Implications for regional stability and for France*

Christian Lechervy provided opening remarks for the conference by describing why the evolution in the Far East is a challenge for the authorities in France, the EU and other EU member states. While France itself is not directly threatened by conflict among Asian powers – even if it is worried about threats such as cyber attacks, proliferation and terrorism – it is nevertheless concerned by the security situation in East Asia for several reasons: its permanent seat at the UN Security Council; its place in the UN Command Military Armistice Commission in Korea; its territorial interests in the Indian Ocean and the Pacific; and its alliance with the United States.

At the same time, French economic interests are being pulled further towards Asia. The presence of French companies and citizens in Asia is indeed increasing. As an illustration, the presence of French citizens in Asia has grown by more than 220% in the last 20 years and there are now more French citizens living in Asia than in Africa. More concretely, France's long-term prosperity is now inseparable from the Asia-Pacific. As such, a major crisis in Asia would have considerable commercial and financial consequences for Europe.

Meanwhile, major budgetary constraints in Europe and the US are having a significant impact on key partners and allies in the region. As the US cuts back on defense spending, it is likely to become more selective in its foreign commitments. This puts more pressure on Europe to shoulder more responsibility for the security issues that concern it most directly. Strategically speaking, however, these obligations do not mean that France is not concerned and obliged by what is happening in the rest of the world – far from its immediate borders, and even beyond the Middle East, Russia, North Africa and the Sahel. The strategic importance of Asia and the Pacific to France, EU Member States and the US continues to increase as defense budgets in the region swell and tensions between states in Northeast and Southeast Asia increase. The current “rebalance” of US military forces towards the region is likely to continue and will be an important factor for France's commitment as a sovereign power to the security of the Indian Ocean and the Pacific. This strategic evolution requires an increased dialogue with Washington by creating an Asian agenda between the two countries' leaderships, which come on top of an already charged agenda.

In this context, France must seek an arms control dialogue with Washington as geopolitical tension and economic development in East Asia are driving the armament of the region. Indeed, military spending in Asia has doubled in the last decade. China in particular has pushed ahead with military modernization at a faster rate than others in the region, particularly regarding the development of its nuclear arsenal and its power projection and cyber attack capabilities. In 2012 the defense spending of the four largest spenders in the region (China, India, Japan and South Korea) surpassed the defense spending of all EU member states combined for the first time since the end of the Second World War. Nevertheless, this increased spending needs to be qualified since some of the modernization involves armed forces which were initially far behind western armies in terms of equipment levels. Nor is this military advancement always aggressive: enhancing naval capabilities to secure sea lanes may help to serve French interests, as two-thirds of French containers pass through the Strait of Malacca and the South China Sea.

However, the intensity of the arms race in Asia is primarily a reflection of the antagonisms that divide the continent. In that respect, one cannot entirely exclude the hypothesis that the combination of persistent conflicts over sovereignty, the sharp increase in military expenditures and

the rise of nationalism and xenophobia could pose a risk of instability in Asia; a risk which could be exacerbated if economic growth, which has made the region a driver of the world economy, were to slow dramatically.

French authorities are fully aware that in this context France must contribute to peace in Asia-Pacific or, in a more Australian concept, the “Indo-Pac” region. France has global interests that justify the preservation of an extensive diplomatic network. France is the one of the only EU member state with an embassy in all the capitals of the region, (nevertheless with one exception: Pyongyang).

France’s political positioning in the world, the values it defends, its territorial and maritime reach, which stems from its overseas territories and special cultural influence, gives it interests on all continents, including in Asia from the Arctic to the Antarctic. Indeed the pole dimension is increasingly critical at a time when China is developing its military, scientific and commercial presence in this part of the world, which is feeding mimetic behavior from Japan and the ROK, and nourishing new concerns in Moscow and also at NATO HQ in Belgium.

The demographic, economic, political and military clout of Asia today makes it a region that concentrates important security challenges and interests. Two economic giants – China and India – have emerged. Numerous other countries such as Indonesia, Malaysia, Singapore, South Korea and Thailand are demonstrating remarkable dynamism and accepting growing “global” responsibilities. Japan, a member of the G8 group of countries, is a crucial player. Asia therefore plays a vital role in globalization. Today it is the main driver of growth worldwide, but also a region where the risks of tension and conflict are among the highest in the world.

The security of the Indian Ocean, which provides maritime access to Asia, is a priority for France and for Europe from this point of view. As a transit region for international trade, the Indian Ocean is at the heart of global strategic challenges, as illustrated by the permanent presence of the US, Asian and European navies. The fact that the European Union’s first large-scale naval operation was the Atalanta operation against piracy clearly illustrates the importance of the Indian Ocean, not only for France but for Europe as a whole. As a neighboring power in the Indian Ocean, France plays a particular role here, reinforced by the development of privileged relations with India. A strategic partnership signed in 1998 enables cooperation in areas that concern the major interests of both countries. France supports a reform of the United Nations Security Council that would create a place for new permanent members, including India and Japan, in referring to the Indo-Pac region.

In South Asia, the engagement of the international community in Afghanistan has contributed to combating international terrorism and reinforcing legitimate institutions. But regional stability remains precarious and political engagement necessary to stabilize certain fragile countries and reduce the risk of inter-state conflict. France considers the combat against terrorism and nuclear proliferation to be primordial, together with the security of its energy supplies.

These considerations make this region one in which France retains strategic interests. The equilibrium of East Asia has been radically transformed by the growing might of China. As the major driver of economic growth in the world and a leading financial, diplomatic and military player, China is one of the powers that structures globalization. Sino-French bilateral relations have, since 1997, been characterized by a global partnership leading to a regular flow of high-level political exchanges and dialogue encompassing all topics and areas, commensurate with China’s new importance.

The strengthening of the American military presence in the region may contribute to control of tensions in Asia and facilitate the rollout of stabilizing instruments aimed at ensuring peaceful management of disputes. But American engagement does not relieve France, as a permanent member of the United Nations Security Council and a signatory of the Treaty of Amity and Cooperation in Southeast Asia, of its responsibilities.

France supports the role of the European Union in the ASEAN Regional Forum (ARF) and is keen to play a more active role with regional security organizations. It enjoys relations of confidence with all the countries in the region, notably with South Korea and Japan, and supports Japan's bid to become a member of the UN Security Council. For France, the stability of Asia and the freedom of navigation are diplomatic and economic priorities. Alongside its allies, France would, in the event of an open crisis, make a political and military contribution at the appropriate level.

Through defense cooperation, France contributes to the security of several countries in the region, notably Indonesia, Malaysia, Singapore and Viet Nam. It bolsters its political engagement through an active presence, development of "strategic partnerships" and intensification of its cooperation networks. With Singapore, its leading commercial partner in Southeast Asia and number three in Asia (after China and Japan), France conducts regular political dialogue and very close cooperation in defense and security.

In the Pacific, France fully assumes its responsibilities as a political and maritime power with a presence in the region. It signed a strategic partnership agreement with Australia in 2012, which marks the growing convergence of the two countries' interests on a great many international and regional matters relative to the Pacific and the Indian Ocean. It also confirms a renewed interest in a French presence on the part of countries in the region, seen as a factor of stability and a source of immediate assistance, particularly in the event of a natural disaster, thanks to France's pre-positioned resources in the overseas territories in the region.

Mapping the shifting balance of power and security architecture in the region

Chair: **Dominique David**, Executive Vice-President, Ifri

- **Barry Buzan**, Professor Emeritus of International Relations, London School of Economics
Suggested theme: *Patterns and drivers behind shifting balance of power*
- **Fu-Kuo Liu**, Executive Director, Center for Security Studies, National Chengchi University
Suggested theme: *Evolution of military power in the region*
- **Saadia M. Pekkanen**, Professor, Jackson School of International Studies, University of Washington
Suggested theme: *Economic-security nexus in East Asia*

Barry Buzan argued that Northeast, Southeast and South Asia now form a closely interconnected security environment, thus creating one broad Asian “security complex” in which the rise of China is playing a structural role. The question today is to figure out what kind of rise China is experiencing. Beyond the official discourse on “peaceful rise”, all the actors inside and outside of the region are wondering if Beijing is having a “warm” peaceful rise, or a “cold” peaceful rise.

Beijing is accustomed to blow hot and cold and adjusts its position according to the geopolitical trends in its neighborhood. However, observers agree that after a “warm” period of rise, China entered a colder period after 2008-2009 and the wake of the global financial crisis in which it appeared as relatively strong in contrast to the declining US. Repeated signs of diplomatic assertiveness (especially in the East and South China Seas), growing nationalism and mounting repression at home all point to a more confrontational China. In front of this new giant, India trades on its future, as it is also being recognized as a soon-to-be great power. The United-States appear to have entering a long decline, but it is actually benefitting from Chinese assertiveness. Growing concerns about the risks raised by Beijing are a strong motive behind the welcome reception of Washington’s “pivot” to the region. As a result, security interdependence is growing in the region to the extent that a kind of “loose, democratic, US-back coalition” is being formed to better defend the interests of these like-minded states in front of China. This “cold rise” then seems to be set as the current strategic path for China, even if the Chinese foreign policy is often considered to be lacking coherence.

Fu-Kuo Liu explained that there are currently three levels of strategic competition in East Asia: the broad, overarching competition between the US and China; the competition for regional leadership between China and Japan; and the complex issue of the South China Sea, where regional players such as ASEAN, and in particular the Philippines, Vietnam and Malaysia are challenging the positions of China and Taiwan. From this it is clear that China is at the center of every major security issue in the region – either in the broad geopolitical context or in the details of various territorial disputes.

Much of the complexity of East Asia’s regional security stems from the fact that it is still living under the paradigm set in the wake of the World War II. Much of the ambiguity left over from that

period is now resurfacing to poison the relationships between neighbors. This is creating a tense context, characterized by the resurgence of nationalism and historical issues as well as territorial disputes.

Against this background, there is a clear, accelerating arms race underway in the region. This is triggered in part by China's military modernization, which is interpreted as threatening by many states in the region – notably Japan in East Asia, but also Southeast Asian states such as Vietnam – who seek to guarantee their own defense and security. It is also the result of a perception in China of strategic encirclement by the US-Japan alliance. This arms race is quickly raising the stakes of strategic competition over disputed maritime territories in the region.

More broadly, the US is implementing its “rebalancing” strategy in the region that is requiring others to take a position and formulate a response. Since the arrival of Prime Minister Abe, Japan is also planning some ambitious security reforms, including the revision of its national defense guidelines that are perceived as “provocative” by Beijing. In this sense, the US and Japan seem to be preparing for a confrontation with China. More recently, in an unprecedented move, China declared an Air Defense Identification Zone (ADIZ) in the East China Sea and it “seems” that Beijing is prepared to announce an ADIZ over the South China Sea as well.

Meanwhile, Taiwan finds itself at the center of the region's major security challenges. Relations between Taiwan and mainland China can still be described legally as a state of “civil war”, though they have progressed significantly since 2008, with the arrival of a new government in Taipei that has signed over 20 agreements with mainland China. Despite its complicated diplomatic situation, Taiwan has been advocating functional cooperation and unilateral confidence-building measures both in the South China Sea and through its East China Sea Peace Initiative. After seven years of negotiation, for example, in April 2013 Taiwan and Japan finally signed a fisheries agreement in the East China Sea. As China is continuing to push hard on its ambiguous interpretation of the 9 (or 10)-dashed line in the South China Sea, Taiwan is pushing for a peaceful solution and has been under pressure from the US to clarify the definition of the 9-dashed line (as it was originally produced in 1947 by the government of the Republic of China in Nanjing). Ultimately, Taiwan's role in managing regional hotspots – in particular its participation in the formulation of a code of conduct in the South China Sea – depends largely on the improvement of cross-strait relations, which could eventually open the possibility of for Taiwan to participate more openly in negotiating solutions.

Saadia Pekkanen highlighted the nexus between politics and economy in the international relations of East Asia, emphasizing that trade integration in the region is progressing and could be considered as a factor of stability. Half of Asia's trade is intra-regional and intra-Asia FDI has grown by 44% in recent years. However, this economic interdependence does not mean that an international conflict is unthinkable in the region. The outbreak of the First World War in 1914 between highly interdependent powers is still providing a powerful example to support this argument.

Four main points can be made regarding the security-economy nexus in East Asia. First, there is an asymmetric economic dominance in the region that could lead to competitive, rather than cooperative behaviors. Japan, China and South Korea account for 70% of the regional economy and

as such, form the core of economic integration in the region. The gap between these three powers and the other actors from Southeast and South Asia trigger a struggle for regional governance. This competition for influence is also impacting more broadly the Bretton Woods institutions, in which China is pushing for a larger role in their governance. Second, the dependence of some important nations on strategic goods in critical sectors can be exploited to raise tensions. The Chinese quasi-monopoly on the production of rare earth materials and exports of these materials to Japan in the wake of the September 2010 spat in East China Sea is often referred to as an illustration of this kind of risk. Third, all countries in East Asia have growing energy needs, which also exacerbate a zero-sum competition to increase each players' energy security. Finally, the economic growth in the region is also used to fuel a large-scale military modernization that raises the security dilemma in an already tense environment.

Despite these four elements that point to a rather gloomy scenario for stability in the region, more optimistic trends are also perceived. It should be noted, for example, that Japan, China and South Korea have closer economic relations now, and inked a trilateral investment agreement in 2012. Despite lingering political tensions, they are also progressing in negotiations for a trilateral Free Trade Zone, as the 4th round of discussion is now going on. If these three countries can sustain concerted efforts to move toward closer economic cooperation and integration, it will greatly benefit the whole region.

Flash points and the risk of conflict in East Asia

Chair: **Justin Vaïsse**, Director, Center for Policy Planning, French Ministry of Foreign Affairs

- **Valérie Niquet**, Senior Research Fellow, Head, Asian Studies Department, Foundation for Strategic Research, Paris
Suggested theme: *China's rise and implications for regional security flash points*
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Discussant: **Alice Ekman**, Associate Research Fellow, Center for Asian Studies, Ifri

Valerie Niquet, speaking on the impact of the rise of China on regional hotspots, explained that the main factor of instability in East Asia is the assertive rise of China after 2008, when Beijing gained enough confidence to press for a “Chinese dream”. The Communist regime needs nationalism and external cause to sustain its legitimacy. So, the current appeasement in relations with Taiwan means that tensions will rise with other partners. This is the case with China over the East China Sea, and the Philippines and Vietnam in the South China Sea. Beijing is now hardening its line on military preparedness and defense budget. The main risks are: first, a degeneration of the situation following an incident between civilian boats degenerating, second, degeneration following an incident between military boats, and third, a limited attack launched by China. The risk of miscalculation from China regarding the US capabilities or will to intervene further increases the instability of the situation. On the optimistic side, neither Tokyo nor Washington wants a war with Beijing. However, Japan is determined to defend its interest and if doubts remain in Tokyo regarding the willingness of its US ally to get involved in an eventual conflict, it could seek independent means to properly deter China.

Ian Storey explained that the territorial and maritime boundary disputes in the East (ECS) and South China Seas (SCS) have been at the top of Asia’s security agenda for several years now are likely to remain there for the foreseeable future. The disputes are part of a contestation for power, influence and even primacy in the Asia-Pacific region among China and the United States and China and Japan. How they are managed and resolved will therefore shape the regional order. In both disputes the trends continue to move in a negative direction and the prospects of a resolution— political or legal — seem to be receding as nationalist sentiment rises and the claimants harden their positions. The SCS dispute is multilateral, involving six parties, and the Senkaku/Diaoyu dispute is bilateral (notwithstanding Taiwan’s claims). But the drivers are essentially the same. Five main drivers can be identified.

First, nationalist sentiment over the sovereignty of disputed atolls is growing in intensity. Governments have promoted nationalism but also tried to channel and contain it, especially in China. Nationalism has led to a hardening of positions and been used as a pretext to rule out concessions and compromises.

Second, over the past several years claimant countries have moved to strengthen their territorial, sovereignty and jurisdictional claims through various means, including national legislation, submissions to the United Nations and more commonly through acts of administration such as building civilian and military facilities on occupied atolls. Japan's nationalization of 3 of the Senkaku/Diaoyu Islands in September 2012 was viewed by China as a change to the status quo. Since then, China has significantly ramped up activities that challenge Japan's claim to jurisdiction.

Third, competition over access to maritime resources —oil, gas and fish— continues to be a major driver of the disputes in the SCS, though much less so than in the ECS. Under the UN Convention on the Law of the Sea (UNCLOS), coastal states have the right to exploit maritime resources within their 200 nm EEZ, and countries like Vietnam, Malaysia, Indonesia and the Philippines are seeking to develop offshore oil and gas fields. Beijing seems to be challenging the sovereign rights of littoral states: Chinese maps show a discontinuous nine-dash line that covers 80% of the SCS. This has sparked a number of tense incidents involving government vessels and fishing boats and survey vessels.

Fourth, growing military capabilities of Asian countries, especially naval and air power, is both a cause and effect of rising tensions. Across the region countries are raising their defence budgets and acquiring state-of-the-art military platforms and systems that are more lethal and longer-range.

Fifth, as tensions have escalated in both areas the US has adopted a more active interest. China has accused the US of using the SCS dispute as a pretext to “return” to Asia, and of using Vietnam and the Philippines as proxies. US policy on the SCS is that it does not take a position on competing sovereignty claims, and supports a peaceful and multilateral resolution to the dispute. Recently, the US took a stronger line by accusing China of raising tensions. One crucial difference between the US position on the SCS and the ECS is that the US considers the Senkaku/Diaoyu islands to be covered by the 1960 US-Japan security treaty; it does not consider the Philippines' claims in the Spratlys to be covered by the 1951 defense treaty.

As a whole, few observers predict a major conflict in the SCS, though the chance of a Sino-Japanese conflict would appear to be higher. Risk is heightened by the relative absence of effective crisis prevention and management mechanisms.

Kang Choi, speaking on the subject of North Korea, explained that despite all the efforts made over the past two decades, the North Korean nuclear problem has deteriorated and become more serious. The creation of the Six-Party Talks aimed for a peaceful resolution of the North Korean nuclear issue through dialogue and negotiation, has not produced any results and indeed been in hibernation since December 2008. Despite all the agreements to date, North Korea remains determined to keep and

further develop its nuclear weapons capabilities. North Korea now has two programs: the well-known plutonium program, and a uranium enrichment program, which is still difficult to assess. Up to now, North Korea has staged three nuclear tests - in 2006, 2009, and 2013. It has also developed diverse delivery capabilities in the last three years, much faster than expected: the medium and long-range Rodong, TD1 and TD2 missiles, and the mobile Musoodan. Moreover, North Korea is the only country to walk away from the nuclear non-proliferation treaty (NPT). Indeed, one of the greatest achievements of the Kim family is the nuclear program.

Over the years, the North Korean regime's justification for and position on its nuclear program has been inconsistent. Initially, North Korea claimed it had no intention of developing nuclear weapons, but with the beginning of the 2nd North Korean nuclear crisis in 2002, the country has claimed it is entitled to develop and possess nuclear deterrent capabilities. Indeed, Pyongyang has argued that the hostile and oppressive policy of the US is the reason North Korea has been developing such capabilities. As such, the regime has tried to bargain with the US to guarantee regime security in exchange for giving up its nuclear weapons program. Choi stressed that it is important to understand that by denuclearization, North Korea refers to the denuclearization of the entire Korean Peninsula, not simply of the North. For them, this means no US nuclear umbrella vis-à-vis South Korea, to be understood as no combined military exercises between the US and the ROK, withdrawal of US forces (USFK), and the termination of the ROK-US alliance. Moreover, the North has generally demanded that a peace treaty or a non-aggression treaty be concluded as a condition for denuclearization.

Today, North Korea claims its status as a de facto a nuclear weapon state, as reflected in its Constitution. North Korea has demanded nuclear arms control talks with the US, meaning it seeks to be recognized as a nuclear power. This demand has sought to change the nature of the game and set new rules. More recently, under Kim Jung Un, North Korea has introduced the Byeongjin policy, which seeks the pursuit in parallel of nuclear and economic development. This shows that the current regime has no interest in denuclearization, nor in establishing a full diplomatic relationship with the US.

In responding to North Korea, all the countries agree on a peaceful resolution of the North Korean nuclear problem through dialogue, but afterward the problems begin. There is a clear lack of momentum in the dialogue itself, with parties stressing "strategic patience," meaning they are waiting for North Korea to take concrete action on denuclearization. There are also differences of approach: sanctions (particularly UN sanctions) vs. flexibility/engagement; peace talks as a condition for or an outcome of denuclearization; difficulties in enforcing punitive measures. Moreover, various parties have different priorities. The US priority is for non-proliferation while China's priority is for regime stability. Japan and South Korea are meanwhile primarily concerned with denuclearization. Moreover, the US and China have begun to put the North Korean problems in the context of the US-China relationship. Here the US emphasizes the role of China, particularly in enforcing sanctions, while China sees the US as using the North Korean nuclear problem as a means of containing China.

Choi stresses a sense of urgency. As time progresses the likelihood that North Korea will complete its uranium program will increase. The North's delivery capabilities will also improve, allowing the targeting of the US mainland, which will challenge and invalidate the underlying

assumptions of responding to the North's threats and of the concept of extended nuclear deterrence. Moreover, Kim Jung Un's North Korea is more unstable and unpredictable. For Choi, responding to the North Korean nuclear challenge requires responding to the broader challenges of North Korea itself. It is necessary to address the root causes of the nuclear problem: the nature of the North Korean regime. In this sense, it must also be underlined that it will take a relatively long time to solve the North Korean problem (decades, even).

Choi recommends an approach based on "comprehensive integrated denial". This means the denial of North Korea's pursuit of its Byeongjin policy by utilizing various means and tools in an integrated manner. The five other major negotiating parties must be on the same page of history with a clear consensus on objectives and priority: the denuclearization of North Korea and the establishment of a permanent peace regime on (unification of) the Korean Peninsula. A comprehensive roadmap and action plan must also be adopted. The approach must be proactive, consistent and durable. A posture of extended nuclear deterrence must be strengthened, which includes studying North Korea's military strategy and capabilities and tailoring deterrence with full-spectrum dominance (i.e. ability to control escalation) and strategic ambiguity (meaning all options are on the table: deterrence, dissuasion and defense). Meanwhile, sanctions must be applied smartly. Areas where North Korea is vulnerable must be identified, sanction measures must be targeted, and cooperation among major parties, especially China, is crucial. Engagement must also be conditioned. The door for dialogue must be kept open by seeking a multi-channel dialogue, including seeking the reduction of tensions or military stabilization through military-to-military dialogue. This should be coupled with the provision of humanitarian assistance (soft and indirect approach) and a focus on small exchange and cooperation projects (for instance education and training programs in technical areas).

Alice Ekman, reacting to the morning's presentations, highlighted that we are witnessing a major, multi-leveled restructuring of the region. There are many, often overlapping races among the region's powers in the fields of defense and security, economic leadership, access to energy resources and public diplomacy, to name a few. Nevertheless, when it comes to China's role in this restructuring, while we notice that it is trying to construct itself as a major maritime power and shape the region in line with the vision of a "China Dream", it is difficult to identify a grand Chinese strategy because such a strategy is still under construction. Indeed, China's foreign policy is in transition from one that has traditionally been based on a more case-by-case, reactive approach to one that is more proactive, but this transition must overcome numerous internal obstacles. While it is true that China's "peaceful rise" has tended to blow both warm and cold, in reference to Barry Buzan's remarks, Beijing is conscious of the negative impacts that a more assertive foreign policy has on its relationships in the region and has, since the arrival of Xi Jinping, put a greater emphasis on economic diplomacy in the region.

Regional peace initiatives and codes of conduct

Chair: Nadège Rolland, Principal Advisor for Northeast Asia, Delegation of Strategic Affairs, French Ministry of Defense

- **Yoshihide Soeya**, Professor of International Politics, former Director of the Institute of East Asian Studies, Keio University, Tokyo
Suggested theme: *Prospects for the development of regional security mechanisms in East Asia*
- **Jusuf Wanandi**, co-founder of the Center for Strategic and International Studies (Indonesia), and co-chair of the Council of Security Cooperation in Asia Pacific, Indonesia
Suggested theme: *ASEAN's role in regional stability and formulating peace initiatives*
- **Mien-sheng Hsu**, President, Institute of Diplomacy and International Affairs, Taipei
Suggested theme: *Taiwan's East China Sea Peace Initiative*
- **Richard Cronin**, Director, Southeast Asia Program, Stimson Center, Washington D.C.
Suggested theme: *Prospects for joint resource management in resolving maritime territorial disputes in East Asia*

Yoshihide Soeya began by putting Japan's current foreign policy and the so-called 'Abe phenomena' in context. Outside observers tend to see Abe as a nationalist with views of historical revisionism mixed with a conservative ideology. Even though his own ideas are well-known in Japan, his electorate does not see him through a revisionist lens. In an interview given to *Foreign Affairs* in September 2013, Mr. Abe declared that even if Japan amended the constitution and exercised the right of collective self-defense, Japanese international position will be still less than that of Canada. For Soeya, it means that Abe's policy of proactive pacifism is an attempt to carry out an internationalist agenda within a nationalist discourse, which is now accepted by the bureaucrats and the society altogether. Throughout the 1990's, Japan took part in international peace keeping operations since the First Gulf War (1990-1991) and worked with the US to solve the Korean crisis while promoting regional stability. Tokyo then decided to clarify its historical legacy, but all the apologies including the Obuchi or Murayama statements were rejected by the Chinese and the Korean governments. Suspicion started to arise among the conservative ranks who eventually felt a growing demonization of their country, despite its international actions. Anti-Chinese sentiments have been increasing since then and both the society and the political elite seem to have entered a vicious circle. Although nationalism is historically part of the Japanese society, the conservative and revisionist claims must be marginalized in order to make Japan a regional stabilizer. Moreover, Soeya noticed a deep contradiction in Abe's position. Indeed, if Japan enables itself to use its right for collective self-defense, Tokyo will become much closer to the US, and therefore enshrine its security dependence rather than increase its strategic autonomy, which runs contrary to typical nationalist longings.

In order to foster the China-Japan relationship, Abe's remark on World War I emphasized the need for the two countries to move beyond the important economic interests as France and Germany eventually did. China knows the danger of invading the Senkaku islands. Thus, there is room for cooperation and common crisis management without damaging territorial sovereignty. A

trilateral cooperation including South Korea can highlight the shared interests and perspectives of the players involved. Furthermore, the ASEAN + 3 summits can also be highly effective for facilitating multilateral negotiations and security mechanisms. If countries are worried about their survival due to China's rising power, they now have to accept coexistence with Beijing, and talks are the first but necessary step in doing so.

Jusuf Wanandi focused on the South China Sea (SCS) dispute and the role of ASEAN. A *modus vivendi* should be reached between all countries involved in the dispute, but a code of good conduct is difficult to implement due to unwillingness on the part of certain participants, Vietnam and the Philippines, for instance. Three levels of interaction have fostered the development of a code. At the governmental level, two meetings are scheduled with one at the end of March in Singapore. Then, an Eminent Person Expert Group (EPEG) has been appointed to push forth the implementation, and finally, regular think-tank summits propose ideas. Yet, whether or not these actions will be fruitful remain uncertain. Thailand is indeed currently facing serious domestic turmoil, and other countries such as Indonesia seem quite reluctant to take the lead on the question. A common position among all parties is then difficult to reach, even though China has vested interests in proving its reliability. In any case, the concerned countries should adopt prevention mechanisms in order to avoid an escalation of tensions.

The broader context of regionalization is also important to take into account. On the economic side for instance, some ASEAN members have joined the TPP negotiations. It could boost the FTA agreements among members and lead towards further cooperation beyond the current trade in labor and capital. However, emerging countries should also be aware of the TPP's constraints on their economies and of the necessity to reassure Beijing about its goals. Meanwhile, talks are underway to have China and Japan sign an FTA agreement with the ASEAN members at least by 2020 as long as Beijing and Tokyo are ready to cooperate. Finally, two factors must be added in the regional security framework, the growing power of India and the lack of a unified Chinese decision-making process that could hinder potential solutions in the South China Sea.

Mien-Sheng Hsu highlighted the East-China Sea Peace Initiative proposed by the Taiwanese government. The Senkaku/Diaoyutai islands acquired by the Japanese in the treaty of Shimonoseki in 1895, and following World War II, restored to their administrative control in 1972 by the US. The Tokyo government announced the islands' nationalization in April 2012, and in the following September, the national government purchased three over the five islands. The nature of the problem is the overlapping Exclusive Economic Zone of Japan, China and Taiwan, as defined by Article 74 of the United Nation Convention on the Law of the Sea (UNCLOS). Moreover, Beijing proclaimed in November 2013 its East China Sea ADIZ, overlapping again with Taiwanese, Japanese and South Korean airspace. There have been at least twenty types of Chinese vessels that have approached the surrounding water of the islands between September 2012 and December 2013. They appeared 44 times over the course of 2013, and 5 times since January 2014. The group of five volcanic islands is close to Taiwan, which has never recognized Japanese sovereignty, and considers them part of its territory since their discovery in the 15th century. The Japanese government does

want to keep a territory that was not part of its territorial loss stipulated after the San Francisco Peace Treaty.

According to Hsu, the rise of nationalism hinders efforts for dialogue and crisis management and increases the potential use of military force. Taipei saw in the success of the European economic integration a pattern for peaceful solutions. On 5 August 2012, Taiwan launched the East China Sea Peace Initiative based on three pillars:

- the necessity to leave the territorial dispute aside,
- a shared management of resources based on mutual development,
- and the observance of international law.

The objective is to engage in a free dialogue, then trilateral negotiations and eventually reach an agreement on a code of conduct in the East China Sea. The Taiwanese government hopes that all parties will refrain from using any antagonistic actions. Regarding Beijing's ADIZ, Taipei announced on February 26th, that international law should be abided by in the spirit of the East China Sea Peace Initiative in order to provide air safety. Moreover, bilateral talks between states must be regular and provisional arrangements should be made so that threatening miscalculations could be avoided.

Richard Cronin assessed the likelihood of joint resource management solutions in the East and South China Seas. He explained that the prospects are limited for fisheries and unlikely for natural gas and oil resources. However, the South China Sea and the East China Sea are quite different. Indeed, in the South China Sea, clashes have erupted over the prevailing UNCLOS and its accomplishment of the 200 miles of Exclusive Economic Zone. On top of that, the conflict between rising powers and the recognition of international norms make the situation much more complicated.

In the past, several attempts have been made to foster shared management, including a Chinese initiative with Japan for shared -extraction of oil and gas. It broke down because of Japanese suspicions of China. Moreover, a joint-development program with China was conducted near the Filipino coast, but it also failed because of Manila's EEZ claims and its domestic political turmoil. The Chinese overseas national oil companies now have partnerships with many ASEAN countries. However, nascent but flourishing democratic practices in these countries can be potential threats for their domestic stability as well as the deals themselves. These agreements should also concern freedom of navigation to secure sailings and eventually reach a common definition of the "high seas". Although any attempt to claim high seas as its own EEZ could be seen as provocative, China has still been reluctant to adopt certain norms. Indeed, Beijing states that its legitimate claims preceded the current international system. In addition, the US defense treaties with Japan and the Philippines do not alleviate regional relations. However, regarding the issue of fishing and other aquatic resources, intense pressures have led the Asian countries to understand the need for cooperation in order to preserve stocks. A fishing season has thus been adopted, even in Vietnamese and Filipino waters.

Europe's role in promoting stability in East Asia

Chair: **Françoise Nicolas**, Director, Center for Asian Studies, Ifri

- **Viorel Isticioaia-Budura**, Managing Director for Asia and the Pacific, European External Action Service
- **James Hoare**, Senior Teaching Fellow, SOAS, University of London
- **Daniel Keohane**, Senior Researcher, Head of Strategic Affairs, FRIDE

Suggested themes: *What kind of role for the EU in East Asian security matters, and how can it support peace initiatives in the region?*

Discussant: **Michel Ching-Long Lu**, Representative, Taipei Representative Office in France

Viorel Isticioaia-Budura started the discussion by observing that even if the EU actions in East Asia were real, they remain rather unknown to the vast majority of people, especially in Europe. In his mind, East Asia is clearly an important region, with China being the de facto first or second main trading partner for Europeans. Nevertheless, he raised the question of Asian perceptions on the EU. Indeed, the Lisbon Treaty has recently established the EEAS in order to coordinate EU foreign policies vis-à-vis its partners, including in East Asia. However, he emphasized that the EEAS policy is conditioned on consensus among the 28 member-states, which is sometimes difficult to achieve because of strong, persistent diplomatic traditions. Yet, he is meeting with national diplomats every week to coordinate policies toward Asia. If the EU is still mapping out the role of the EEAS, the trilateral dialogue between the European Commission, the EEAS and the Asian countries is eventually aimed at reaching a common and harmonious voice in an attempt to balance the part of trade in the European agenda. Through a twofold approach on EU-East Asia cooperation, the countries must work on both political and economical issues. Therefore, the EU has proposed a political framework around human rights, transparency and tax matters, and non-proliferation clauses that forms essential political guidelines of cooperation.

The actions of the EEAS in Asia could be divided into three parts: regional stability, crisis management, and bilateral cooperation. First, the EU is fully working towards the emergence of an effective Asian security architecture. It means that cooperation within the ASEAN Regional Forum (ARF) is critical in order to promote and secure European interests. Lady Ashton's frequent visits to Southeast Asia are meant to introduce and promote EU perspectives for the future. That is why the EU has ratified the treaty of Amity and Cooperation in Southeast Asia (June 2012). Although the European institutions are aware of their own limits, they are strongly pushing for domestic reforms in ASEAN countries despite some reluctance. A continuing dialogue has been carried out with Myanmar, the current ASEAN chair, to expand domestic reforms. Fostering ASEAN centrality and further regional integration, the EU is now inviting these countries to Brussels to discuss the feasibility of sustainable growth along with regional security.

Several topics highlight the EU involvement in crisis management and conflict prevention in the region.

- Natural resources management: The EEAS was pleased by the Indonesian leadership on this issue. Mr. Isticioaia pledged for increased cooperation with Indonesia, especially after European experts took part in a seminar on mutual natural resource management. Furthermore, the Commission and the EEAS are joining their efforts to evaluate potential humanitarian actions and natural disaster prevention. In addition, a center for dangerous chemical products has been set up in Manila with the support of the ASEAN.
- Piracy and open sea lanes: The operation ATALANTA has been a success, gathering India, China, and Japan to work altogether against piracy.
- Nuclear proliferation: Advocating for a non-proliferation policy regarding the Korean peninsula, the EU has autonomously adopted a set of sanctions that goes far beyond those imposed by UN Security Council, and it is now supporting six on-the-ground NGOs in North Korea to help victims of the regime, especially children and women.
- Illegal trade and terrorism: The EU has launched projects to address the issue of drugs and human trafficking especially from Afghanistan.
- Interethnic conflicts: A Peace Center has been established to face the interethnic conflicts in Myanmar.

Finally, the EEAS is working to enhance bilateral strategic partnerships, especially with China, Japan, India and South Korea. This will require setting up political summits at least twice a year, as well as a strategy for development regarding Africa, South America and Southeast Asia. In order to cooperate efficiently, the EEAS is defending a line on transparency. Cooperation means that military budgets, for instance, must be transparently communicated in order to be understood and acceptable to other neighboring countries. Moreover, the EU has seen through different partnerships and Free Trade Agreements (FTA) the best way to combine both political and commercial interests. The Republic of Korea has agreed on a FTA, and adopted the political framework proposed by the EEAS. The EU is now aiming to do the same with other Asian countries, such as Singapore, Japan, or Vietnam. Eventually, a trade agreement could be signed with China. It is at least inscribed in the Agenda 2020. In his concluding remarks, Isticioaia asked for France to keep as frequent a dialogue as possible with its Asian partners and address a frank debate around human rights issues and judicial reforms.

James Hoare began by observing that many of the contentious issues cited during the conference have been around for decades without resulting in open conflict, and so, while the geopolitical situation in East Asia is indeed changing, we need not necessarily assume that these issues will result in armed conflict or war. Regarding Europe's position in Asia, in his opinion, the Europeans should be partly held responsible for the instability in Asia because of their historical legacy in the region. Therefore, he stressed a careful approach in the nature of the message the EU should address to these countries.

To be sure, trade is one of the most important interests for the two continents. However, on the political side, the EU must be seen as a third way. Indeed, the EU has been perceived as different

from the US by the Asian countries. This neutral but strategic position led the North Korean regime, for instance, to approve European NGOs on its territory. Besides, it is the only way to go beyond the internal grip of the consensual decision-making process in Europe, since neutrality could be more acceptable for each member state. However, the main problem lies in the security alliance between Europe and the US. This proximity has indeed made the EU less credible, and dependent on the US partnership and attitude.

As a normative power, the EU has moreover tended to confuse the nuclear issue with humanitarian assistance. Hoare posited whether the current sanctions were really successful in avoiding nuclear proliferation. In any case, the EU is too far from Asia geographically to maintain strong political ties with these countries. As a consequence, Europe will never play a leading role in the region, and is more likely to remain at the margin. The EEAS should then act only in areas in which it is well skilled and should avoid overstepping its prerogatives. Following this thought, Jusuf Wanandi commented that the EU has so far poorly implemented its wishes, despite some success like the dialogue with China on its judicial system.

Daniel Keohane highlighted the ambiguities facing the EU external policies for East Asian security. Triggered notably by the US “pivot to Asia”, contradictory messages are often sent to Asian governments regarding the EU role in the new international order. For instance, while Mr. van Rompuy, President of the EU Council, stated that Europe would never be a Pacific power, Mr. Le Drian, French defense minister, clearly stipulated at the Shangri-la Dialogue in Singapore (June 2013) that his country is definitively a Pacific power. Further, British Prime Minister David Cameron went to China to boost trade while sending in the meantime a warship to Japan.

That incoherent European stance reveals the Eurocentric nature of the debate in Europe on the US pivot to Asia, and the lack of discussion regarding the European role in Asian security. European governments are too attached to transatlantic relations and understand East Asian security only through the lens of this alliance. Whereas the rise in China’s military budget is of utmost concern to the US Pentagon, Europeans are seemingly remain rather aloof on the topic. London and Paris are perhaps the sole capitals where such an issue is brought up. Yet, the Chinese military budget will probably go beyond the US or NATO Europe’s before 2020. Therefore, Europeans lack a clear answer in assessing their stance in the upcoming international order. The EU should at least address the question, despite the unlikelihood of a common US-EU political voice.

The normative nature of the EU makes it neither an offensive nor an assertive power, as a sovereign state could be. That new paradigm should be something worth exploring if the EEAS wants to become a coherent player in the region with some leverage for bargaining. This reflection has not been done yet. Europe’s unique role could be a strong asset as long as Brussels is not paralyzed by its own internal divisions in the Council. Further, Keohane noted that Asian interests in the European neighborhood are increasing. China has targeted African countries and is now investing massively in the region. As the PRC is now getting closer to Europe, European militaries should be developing and expanding their relationships with the Chinese armed forces. It should be at least the starting point for more cooperation and dialogue.

Michel Ching-Long Lu, reacting to the panelists' presentations, applauded the ambitious agenda set forth by the EEAS and expressed hope that budget shortfalls would not get in the way of such a proactive engagement on the part of the European Union. The EU's experience provides it with a unique opportunity to contribute to the development of peace and stability in East Asia, particularly in regards to the process of democratization. One must not forget that Taiwan's successful democratization came about under intense political pressure from the United States. Beyond this point, it is important to note that as Europe needs Asia, Asia also needs Europe. The advanced development of European societies on the technological, cultural and civil society fronts provide many opportunities to contribute to furthering peaceful and stable development in Asia. One important aspect of engagement should continue to be the necessity for more technological and student exchanges, including the extension of visas and so forth, because one must keep in mind that political cooperation goes hand-in-hand with cultural exchanges.