

U.S. Asia Pacific Council

Washington Report

News and analysis from
Washington, DC about key issues
in US-Asia Pacific Relations

Volume 2 March 2011

The Solution To Ending North Korean Provocations Lies In Understanding Its Roots

L. Gordon Flake

On March 1, 2011, the Senate Foreign Relations Committee held a hearing to examine ways to break North Korea's cycle of provocative behavior and end its nuclear and ballistic missile capabilities. Committee Chairman John Kerry (D., Massachusetts) strongly advocated a new approach, featuring US bilateral outreach to Pyongyang.

L. Gordon Flake, Executive Director of The Maureen and Mike Mansfield Foundation, disagreed. As he elaborates in the following brief interview, Mr. Flake testified that Washington must continue to work closely with regional allies and insist that, before resuming meaningful discussions, Pyongyang must take steps to comply with its denuclearization commitments under the Six-Party framework. In excerpts of his [testimony](#) that follow, Mr. Flake further proposed that a solution to breaking Pyongyang's destructive cycle of behavior lies in understanding its root causes, such as internal developments and trends in North-South relations.

USAPC: Amb. Christopher Hill, former Assistant Secretary of State for East Asian and Pacific Affairs, has said that the Six-Party Talks no longer are an effective means of realizing denuclearization of North Korea. Please elaborate why you do not necessarily share that view.

Flake: The Six-Party Talks were never a venue conducive to substantive negotiations and there is certainly nothing magic about 30-some-odd people sitting around a large round table. However, whatever debates about format might have existed at the outset of the Six-Party Talks, the question now is less about form and more about function.

continued on page two

KORUS Moves Forward But Discord Over Pending Trade Accords Could Affect Its Progress

For the past month, U.S. Trade Representative Ron Kirk has assured trade lawmakers in the House and Senate that President Obama intended to deliver the US-Korea Free Trade Agreement (KORUS) to Congress “within weeks” and seek its approval “this spring.” On March 7, House Ways and Means Committee Chairman Dave Camp (R., Michigan) and Senate Finance Committee Chairman Max Baucus (D., Montana), indeed, confirmed that staff of their respective committees had begun the important first step of working with USTR on legislative language to implement KORUS.

Potential Complications—But timely approval of the KORUS implementing bill remains uncertain owing to problems that have stalled pending free trade agreements (FTA) with Colombia and Panama for the past two years. Members of both parties—and in both houses—have lambasted the administration not only for its failure to resolve labor-related sticking points in the Colombia and Panama accords, but also for its opacity about the negotiations. “Despite repeated bipartisan requests, the administration still has not identified outstanding issues relating to these two agreements, reasonable

continued on page nine

INSIDE THIS ISSUE

- 5 **Official Washington**
Key Personnel of the US
Department of Commerce
- 5 **China Currency Bill Gains Traction**
- 6 **Congressional Watch**
 - Membership of House and Senate Committees with jurisdiction over legislation affecting U.S.-Asia relations
- 7 **Asia Pacific Dialogue**
 - APEC Senior Officials Meeting (SOM-1)
 - Official Meetings, 3/11-4/11
- 10 **USAPC Membership**

Washington Report

published by the

East-West Center | US Asia Pacific Council
1819 L Street, N.W., Suite 200,
Washington, DC 20036
Phone: 202.293.3995 | Fax: 202.293.1402

Washington@EastWestCenter.org
EastWestCenter.org/washington

Flake Testimony

The Six-Party Talks now have content, particularly in the form of the September 19, 2005 Joint Statement. This content has critical meaning in responding to North Korea's nuclear ambitions.

North Korea has withdrawn from the Nuclear Nonproliferation Treaty, declared its obligations to the International Atomic Energy Agency (IAEA) null and void, and asserted that it is a nuclear power. Yet in the September 19, 2005 Joint Statement, North Korea committed to the other five parties that it will abandon "all nuclear weapons and existing nuclear programs and [return], at an early date, to the Treaty on the Non-Proliferation of Nuclear Weapons and to IAEA safeguards."

This is the last standing commitment to which North Korea might be held that requires Pyongyang to disarm unilaterally, as opposed to North Korea's current demand for global and mutual nuclear disarmament.

Abandoning the Six-Party Talks at this point, in effect, would release North Korea from its obligations under the standing agreements of those talks and *de facto* recognize and validate Pyongyang's assertion that it is a nuclear power and must be accepted as such.

Even if there never is another plenary meeting, the Six-Party Talks remain an important symbol of the shared commitment of the other countries in the region not to accept North Korea's abrogation of international treaties and norms related to nuclear weapons.

In some respects, the Six-Party Talks are very much alive, as evidenced by the close and frequent coordination and communication between Washington, Tokyo, Beijing, Seoul, and Moscow.

USAPC: Senate Foreign Relations Committee Chairman John Kerry (D., Massachusetts) and Committee Ranking Member Richard Lugar (R., Indiana) have advocated a new approach to the North Korean conundrum, involving bilateral outreach from the United States.

Please explain why you feel the Obama administration's approach, which features close cooperation with South Korea and Japan, a tough stance on economic and humanitarian aid, and so forth, is the best approach at this time.

Flake: The United States should never hesitate to use all the diplomatic tools at its disposal, and it is important to ensure that we have a channel of communication with North Korea sufficient to avoid the risk of tragic miscalculation.

Nevertheless, there is little if any indication that a new bilateral approach toward North Korea bears enough promise to outweigh the considerable down-side risks.

To begin with, the United States should be particularly sensitive to South Korea's position—particularly in view of the two provocations last year against our ally that can only be considered acts of war. This is not just a diplomatic favor. In reality, there is no scenario in which negotiations with North Korea can prove effective absent meaningful progress in North-South relations.

More fundamentally, until North Korea abandons its assertion that it is a nuclear power and must be dealt with as a nuclear power, there is the not-insignificant risk that an attempt to initiate a bilateral negotiation with North Korea would be interpreted by others in the region as a weakening of US resolve not to recognize North Korea as a nuclear power.

Until there is some meaningful indication of "seriousness of purpose" in North Korean statements or actions, the United States would do well to focus its resources on maintaining strong alliance relationships with South Korea and Japan. In addition, Washington should seek to moderate Chinese behavior as a first step in improving North Korean behavior.

What follows are excerpts of Mr. Flake's testimony before the Senate Foreign Relations Committee on March 1, 2011.

There have been several important developments in the region that have enabled North Korea to escalate its provocative behavior. Any effort to seriously address the recent cycle of North Korean provocations must begin with an attempt to understand the root causes of Pyongyang's actions.

It's Not Necessarily 'All About Us'

First, and perhaps difficult for Americans to acknowledge, is that the role of the United States in fueling North Korean behavior may be much less than we think.

Absent reliable information on North Korea's internal decision-making process, a common conceit in the United States is to assume that North Korean actions and statements are somehow "all about us," motivated by and targeted to an audience in the United States. The problem with this approach is that the conclusion drawn inevitably seems to be the same no matter what the North Korea action.

Thus, North Korea's long-range missile tests and nuclear tests are purported to be attempts to force the US into direct bilateral talks. Pyongyang's August 2009 decision to divest itself of two imprisoned US journalists for the price of having former President Clinton pick them up is likewise seen as a sign of outreach to the United States, as was the decision to turn over the unfortunate Ajalon Gomes to former President Carter in August of 2010.

More recently, in early November 2010 when North Korea showed separate delegations from the United States evidence of construction on a new light water nuclear reactor and a surprisingly sophisticated uranium enrichment facility, calls for the United States to resume negotiations with North Korea were both immediate and predictable.

Even after North Korea shelled the South Korean coastal island of Yeonpyeong on November 23, 2010, in a drastic and highly provocative escalation of the long-standing inter-Korean tensions in the West Sea, some Americans persisted in interpreting this action in the context of US-North Korean relations.

For example, former president Jimmy Carter authored a *New York Times* op-ed entitled "North Korea Wants to Make a Deal" following his August visit to Pyongyang. He again urged the US to listen to "North Korea's Consistent Message to the US" in a *Washington Post* op-ed that described the North's unprecedented provocation as "designed to remind the world that they deserve respect in negotiations" and repeated North Korea's insistence on "direct talks with the United States."

All Politics Is Local

Of course, there are alternate if equally improvable interpretations of North Korean intentions. Given the fact that North Korea has now repeatedly declared itself a nuclear power and declared its intent to develop nuclear deterrence as well as nuclear energy, its decision to test nuclear weapons and to construct both a light water nuclear reactor facility and a uranium enrichment facility might more logically be understood in the context of North Korea's stated intentions and goals.

The notion that "all politics is local" is not only applicable to democracies. Herein lies the second factor related to the escalatory cycle—North Korean domestic developments. Pyongyang has made ample use of its nuclear tests and status in its internal propaganda. In fact, there is disturbing

evidence suggesting that much of the current crisis in North Korea is related to internal disturbances. Following Kim Jong-Il's apparent stroke in 2008, the process of succession planning in North Korea appears to have been rushed.

Given the multitude of economic, societal, and security challenges faced by the current regime, the prospects for a smooth transition to a third generation of Kims appear daunting. And as recent events in the Middle East have demonstrated the limits of American influence, it simply may be beyond our control to affect domestic developments in North Korea that are fueling its recent provocations.

Changes In The Inter-Korean Relations

On a regional level, there are two factors most directly related to North Korea's recent cycle of provocation. The first is the change in South Korea's policy toward the North; the second, China's increased support for Pyongyang despite North Korea's egregious conduct.

After the better part of four decades of inter-Korean relations defined primarily by ongoing hostility and deterrence, the inauguration of the Kim Dae Jung administration in 1998 ushered in a policy of "peaceful coexistence" with North Korea.

This was followed by a policy of proactive engagement, which was primarily manifest by the rather one-sided provisions of South Korean investment, fertilizer, and humanitarian

aid to North Korea. The primary objective of this approach, particularly during the administration of President Roh Mu Hyun, was to ensure stability in North Korea, at least in the short run.

President Lee Myung Bak entered office in February 2008 espousing a long-term vision for inter-Korean relations that included significant South Korean investment in North Korea and a stated goal of dramatically increasing North Korean per capita GNP. But this approach was premised on changes on North Korean behavior, particularly on progress toward denuclearizing North Korea.

In practice, President Lee's policy was a sharp departure from that of his predecessors. The Lee administration more openly criticized North Korean human rights abuses. In addition, Seoul participated in international efforts to curb North Korea's illicit activities and changed the manner in which it handled development and humanitarian aid—all changes that Pyongyang did not welcome.

continued on page four

Flake Testimony

In another respect, President Lee's approach to North Korea in part reflected changing South Korean attitudes toward Pyongyang. During the first years of the Lee administration, there was a growing sense that South Korea's decade of largess was unappreciated and unreciprocated. In addition, a series of North Korean actions further influenced underlying South Korean public opinion and, as a result, altered Seoul's policy toward the North.

On July 11, 2008, North Korean soldiers shot a South Korean tourist in the back at the Diamond Mountain resort. North Korea's subsequent refusal to engage in a joint investigation of the incident led to a shuttering of the Hyundai-Asan operated tourist zone. The fact that this event took place in the context of a North Korean long-range missile test and nuclear test on April 5 and May 25, 2009, respectively, further hardened South Korean public opinion.

The detention of a South Korean employee at the Kaesong Industrial Complex for 137 days during the summer of 2009 further colored South Korean views of the prospects for engagement with North Korea.

Tensions again rose in the West Sea with a naval altercation South Korea calls the "Battle of Daecheong" on November 10, 2009. This resulted in severe damage to a North Korean patrol boat and North Korean threats of retaliation.

The sinking of the *Cheonan* on March 26, 2010 and the tragic loss of forty-six South Korean sailors shocked the South Korean public. But initial uncertainty about the cause of the tragedy, the lengthy investigation, the fact that the incident took place out of sight and at night, and the fact that the initial findings of the investigation were announced shortly before South Korean local elections all served to make this particular incident politically divisive within South Korea.

That was not the case with the November 23, 2010 shelling of Yeonpyeong Island. The North Korean artillery barrage took place in broad daylight and was captured on videotape. Real time images of columns of smoke streaming skyward from the island as panicked refugees fled the scene served to affect the most fundamental shift in South Korean public opinion toward North Korea in over a decade.

Suddenly President Lee, who in some circles still was regarded as a hardliner, was accused of failing to protect the nation and threatened with impeachment by some members of his party. President Lee was gradually pushed by public outrage to revise the rules of engagement and to state clearly that any future such incidents would be met with a

considerable show of force.

Importance of US-South Korea Policy Coordination

South Korea's changing approach to North Korea also has had a direct, favorable impact on US-South Korean relations by enabling both countries to better coordinate their policies toward the North. For example, much of the political difficulties between Washington and Seoul during the tenure of President Roh can be attributed to what were then rapidly diverging threat perceptions regarding North Korea.

Over the past three years, due in part to the laundry list of provocations noted above, there has been a dramatic re-convergence in US and South Korean perceptions of North Korea. But the improvement accelerated dramatically given the high priority the Obama administration placed upon

prior consultation and coordination with its ally Seoul on all matters regarding North Korea. The June 19, 2009, Joint Vision Statement for the US-Republic of Korea (ROK) Alliance is an historic document.

This, along with conclusion of the Korea US-Free Trade Agreement [KORUS], South Korea's hosting of the G-20, and its role in and hosting of the next Nuclear Security Summit, lends substance to the claim that US-South Korean relations are the best they have ever been.

The result of this convergence has been a remarkably principled, consistent, and well-coordinated policy between Seoul, Washington, and Tokyo with respect to North Korea. Ironically, one of the immediate causes of the most recent cycle of North Korean provocations may be the consistent and coordinated approach with which the Obama and the Lee administrations have responded to North Korea.

President Obama has repeatedly framed the joint US-ROK approach in the context of the need to "break the pattern" of responding to North Korean provocations with concessions and talks that do not make progress on core issues. In response, it is North Korea that has vacillated between threats, inducements, provocations, charm offensives, and outright attacks in its attempt to force or cajole the United States and South Korea to abandon their current approach.

China's Enabling of Pyongyang's Misbehavior

One way to understand Chinese priorities in North Korea is to focus on the more negative scenarios that China clearly hopes to avoid on the peninsula. They are the three

continued on page seven

Get-Tough Approach To China's Currency Policy Gains Early Traction

It may become increasingly difficult for Rep. Dave Camp (R., Michigan), chairman of the House Ways and Means Committee, to resist pressure from colleagues to move legislation aimed at forcing China to revalue the *renminbi*. Camp began the 112th Congress by declaring that he would tackle problems in US-China economic relations in a comprehensive manner—not via narrow, currency-targeted remedies. He may find he has to modify that position.

The US Treasury Department on February 4 issued its [semiannual report to Congress](#) on international economic and exchange rate policies. And once again, Treasury did not designate China as a currency manipulator on grounds that (1) the pace of real bilateral appreciation has accelerated in recent months and (2) President Hu Jintao promised during his January 19 state visit further progress in currency reform.

Treasury's decision, however, had the effect of breathing new life into a China currency bill that enjoyed solid bipartisan support and easily passed the House in September 2010. The "Currency Reform for Fair Trade Act of 2011," reintroduced by Rep. Sander Levin (D., Michigan) and Sen. Sherrod Brown (D., Ohio) on February 10, would amend the Tariff Act of 1930 to clarify that subsidies relating to a fundamentally undervalued currency of any foreign country would be actionable under US trade law.

"China has been given free rein to manipulate its currency for far too long with hundreds of thousands of American jobs lost and unsustainable global trade imbalances as a result," Levin said, adding that the House bill already has 101 Republican and Democratic co-sponsors.

Joining Brown as co-sponsors of the Senate companion bill are Senators Olympia Snowe (R., Maine) and Charles Schumer (D., New York). Even before the recent economic crisis, Schumer was a leading advocate of even tougher legislation that would impose punitive duties on China for manipulating its currency.

The New York Democrat ultimately decided to back the Levin/Brown bill, presumably because congressional trade experts have maintained that, unlike his own proposal, it would not violate US obligations under international trade law.

Senate Finance Chairman Max Baucus (D., Montana) has suggested that he may be more inclined than Camp to consider a China currency bill. He expressed disappointment with Treasury's failure to cite China as a currency manipulator. Baucus further argued that the United States must "hold China and our other trading partners accountable for their actions and we must acknowledge—and take steps to remedy [emphasis added]—those actions that harm the competitiveness of American businesses and workers."

But like Chairman Camp, the Senate Finance Committee chairman also has acknowledged that a currency bill alone will not address effectively China's preferential and discriminatory regulations that impede US access to its market or its insufficient protection of US intellectual property rights, among other problems. The Levin/Brown bill may be gaining traction, but congressional trade leaders also will ensure that their panels consider the totality of issues affecting the US-China economic relationship. ♦

OFFICIAL WASHINGTON

In each issue, **Washington Report** will provide the names and contact information for selected executive branch officials with jurisdiction over economic, political, and security issues important to US-Asia Pacific relations. This issue focuses on pertinent personnel from the U.S. Department of Commerce.

MAILING ADDRESS:
Herbert C. Hoover Bldg. (HCHB)
1401 Constitution Avenue, NW
Washington, DC 20230

INTERNATIONAL TRADE ADMINISTRATION:

Francisco J. Sanchez – Under

Secretary for International Trade, HCHB 3850, 202.482.2867

Michelle O'Neill – Deputy Under Secretary for International Trade, HCHB 3842, 202.482.3917

Ronald K. Lorentzen (Acting) – Assistant Secretary for Import Administration, HCHB 3099B, 202.482.1780

Paul Piquado – Deputy Assistant Secretary for Policy and Negotiations, HCHB 3705, 202.482.2104

Christian Marsh – Deputy Assistant Secretary for Antidumping and Countervailing

Duty Operations, HCHB 3905, 202.482.5495

Michael C. Camuñez – Assistant Secretary for Market Access and Compliance, HCHB 3868A, 202.482.3022

Seward L. Skip Jones – Deputy Assistant Secretary for Trade Agreements and Compliance, HCHB 3043, 202.482.5767

Craig Allen – Deputy Assistant Secretary for Asia, HCHB 2038, 202.482.4527

Keith Roth – Director, Office of Japan, HCHB 2322, 202.482.2427

Nicole Melcher – Director, Office of China Economic Area, HCHB 3204, 202.482.3932

Jeffrey Dutton – Director, Office of Pacific Basin, HCHB 2319, 202.482.4008

BUREAU OF INDUSTRY AND SECURITY:

Eric L. Hirschhorn – Under Secretary for Industry and Security, HCHB 3898, 202.482.1455

Kevin Wolf – Assistant Secretary for Export Administration, HCHB 3886C, 202.482.5491

Key Committees for Legislation Affecting U.S Policy Toward the Asia Pacific

Senate Appropriations Subcommittee on State, Foreign Operations and Related Programs

Democratic Members

Sen. Patrick Leahy (Vermont)—Chairman
 Sen. Daniel Inouye (Hawaii)
 Sen. Tom Harkin (Iowa)
 Sen. Barbara Mikulski (Maryland)
 Sen. Richard Durbin (Illinois)
 Sen. Mary Landrieu (Louisiana)
 Sen. Frank Lautenberg (New Jersey)
 Sen. Sherrod Brown (Ohio)

Republican Members

Sen. Lindsey Graham (South Carolina)—Ranking
 Sen. Mitch McConnell (Kentucky)
 Sen. Mark Kirk (Illinois)
 Sen. Roy Blunt (Missouri)
 Sen. Dan Coats (Indiana)
 Sen. Ron Johnson (Wisconsin)
 Sen. John Hoeven (North Dakota)

House Appropriations Subcommittee on State, Foreign Operations and Related Programs

Republican Members

Rep. Kay Granger (Texas-12)—Chairman
 Rep. Jerry Lewis (California-41)
 Rep. Frank Wolf (Virginia-10)
 Rep. Tom Cole (Oklahoma-4)
 Rep. Mario Diaz-Balart (Florida-21)
 Rep. Charlie Dent (Pennsylvania-15)
 Rep. Steve Austria (Ohio-7)

Democratic Members

Rep. Nita Lowey (New York-18)—Ranking
 Rep. Jesse Jackson, Jr. (Illinois-2)
 Rep. Adam Schiff (California-29)
 Rep. Steve Rothman (New Jersey-9)

Senate Foreign Relations Committee

Democratic Members

Sen. John Kerry (Massachusetts)—Chairman
 Sen. Barbara Boxer (California)
 Sen. Robert Menendez (New Jersey)
 Sen. Benjamin Cardin (Maryland)
 Sen. Robert Casey (Pennsylvania)
 Sen. Jim Webb (Virginia)
 Sen. Jeanne Shaheen (New Hampshire)
 Sen. Christopher Coons (Delaware)
 Sen. Richard Durbin (Illinois)
 Sen. Tom Udall (New Mexico)

Republican Members

Sen. Richard Lugar (Indiana)—Ranking
 Sen. Bob Corker (Tennessee)
 Sen. James Risch (Idaho)
 Sen. Marco Rubio (Florida)
 Sen. James Inhofe (Oklahoma)
 Sen. Jim DeMint (South Carolina)
 Sen. Johnny Isakson (Georgia)
 Sen. John Barrasso (Wyoming)
 Sen. Mike Lee (Utah)

House Foreign Affairs Subcommittee on Asia and the Pacific

Republican Members

Rep. Donald Manzullo (Illinois-16)—Chairman
 Rep. Ron Paul (Texas-14)
 Rep. Bill Johnson (Ohio-6)
 Rep. Dan Burton (Indiana-5)
 Rep. Edward Royce (California-40)
 Rep. Steve Chabot (Ohio-1)
 Rep. Mike Kelly (Pennsylvania-3)
 Rep. Jeff Duncan (South Carolina-3)

Democratic Members

Hon. Eni Faleomavaega (American Samoa)—Ranking
 Rep. Frederica Wilson (Florida-17)
 Rep. Gerry Ackerman (New York-5)
 Rep. Brad Sherman (California-27)
 Rep. Gregory Meeks (New York-6)
 Rep. Dennis Cardoza (California-18)

continued on page eight

ASIA PACIFIC ECONOMIC COOPERATION (APEC) FORUM:

APEC Senior Officials' Meeting I – On February 27-March 12, Washington, D.C. played host to the First Senior Officials Meeting (SOM) and Related Meetings.

Delivering the [keynote address](#) on March 9, Secretary of State Hillary Clinton urged the APEC member economies to work on “several levels at once” in order to realize deeper regional economic integration—creating jobs, increasing trade and investment, fueling innovation, investing in education, and pursuing inclusive growth.

US SOM Chair Michael Froman formally opened the working portion of the SOM on March 11. He outlined [US priorities](#) for its APEC year, which include strengthening regional economic integration, promoting green growth, and advancing regulatory convergence..

KEY MEETINGS & EVENTS: MARCH—APRIL 2011:

- Amb. Kurt Tong, US Senior Official for APEC, and Ms. Wendy Cutler, Assistant US Trade Representative for Japan, Korea, and APEC Affairs, and their counterparts from the 21 APEC member economies participated in the first Senior

- Officials' Meeting, Washington, DC, February 27-March 12.
- President Obama conferred with Australian Prime Minister Julia Gillard, Washington, DC, March 7.
- Kurt Campbell, Assistant Secretary of State for East Asian and Pacific Affairs, and Gen. Chip Gregson, Assistant Secretary of Defense for Asian and Pacific Security Affairs, met their Japanese counterparts to discuss a full range of issues, Tokyo, Japan, March 9-10,
- Assistant Secretaries Campbell and Gregson led the US delegation for the Annual Bilateral Consultations with

- Mongolia, Ulaanbaatar, Mongolia, March 10.
- Assistant Secretary Campbell conferred with his South Korean counterparts, Seoul, South Korea, March 12.
- US Secretary of State Hillary Clinton represented the United States at the G-8 Foreign Ministers gathering, London, March 14-15.
- Finance Ministers and Central Bank Officials from 186 developed and developing countries will convene for the 2011 World Bank-International Monetary Fund Spring Meetings, Washington, D.C., April 16-17.

continued from page four

Flake Testimony

“no’s”—no nukes, no collapse, and no war.

For much of the past eight years, a highlight of U.S-China relations has been our mutual effort to address the challenges posed by North Korea. In the early months of the Obama administration, US-China cooperation on North Korea reached its arguable peak as, despite their initial misgivings, China supported a strongly worded Presidential Statement at the UN Security Council in response to North Korea’s testing of a long-range missile. Shortly thereafter, on June 12, 2009, China signed on to the most meaningful sanctions resolution on North Korea to date, UNSC Resolution No. 1874.

While the exact cause of the shift is unknown, beginning in early fall 2009 there appears to have been a marked shift in Chinese priorities and views on how best to address the North Korean problem. Not only did Beijing scale back its efforts to implement the UN Security Council sanctions, but it also began to overtly and actively support the regime of Kim Jong-Il.

One possible explanation relates to concerns about the North Korean leader’s health. This has created uncertainties about the succession process in this closed country. In view of evidence of ongoing economic turmoil there, the Chinese leadership may have decided to place a higher priority on its objective of avoiding collapse in North Korea.

Stepped-up Chinese support for North Korea continued

through the fall, and even when faced with the sinking of the *Cheonan* in March 2010, Beijing decided to double their bet on the Kim Jong-Il regime rather than altering course. President Hu met Kim not once but twice following the *Cheonan* sinking, and China repeatedly refused to hear evidence on or except the conclusion that North Korea was responsible for this tragic event.

Similarly, following the North Korean shelling of Yeongpyeong Island, an act that killed two South Korean Marines and two South Korean civilians, China once again prevaricated and called for calm on all sides.

It is notable that during the period of shifting Chinese priorities with respect to North Korea, US views of China’s role also have changed, beginning with Washington’s expression of disappointment with Beijing’s implementation of UNSC sanctions. By the summer of 2010, these views had blossomed into US criticisms of China’s willful ignorance of North Korean behavior.

US views shifted further still following the most recent revelations regarding North Korea’s nuclear program and its November artillery barrage. Washington openly accused Beijing of “enabling” North Korea’s bad behavior. China’s failure to respond to the sinking of the *Cheonan* and condemn the shelling of the island added to the view in US circles that China increasingly is part of the North Korean problem.

continued on page eight

Flake Testimony

Re-Focus On September 2005 Joint Statement

In this context, the meeting this past January of President Obama and President Hu was particularly important. And there was some evidence of progress, at least in framing the North Korean problem.

While it may seem arcane, a single paragraph of the joint statement issued at the close of the summit offers cause for optimism. This is because it refers three times to the September 19, 2005 joint statement of the Six-Party Talks, in which North Korea committed to “abandoning all nuclear weapons nuclear weapons and existing nuclear programs and returning, at an early date, to the Treaty on the Non-Proliferation of Nuclear Weapons and to IAEA safeguards.”

This serves two important purposes: First, the statement sets a clear definition of what the US and China now jointly mean when we refer to “denuclearization,” including the denuclearization of the Korean peninsula.

Second, in view of the fact that the Six Parties unanimously reaffirmed that the goal of the talks is the verifiable denuclearization of the Korean Peninsula, Obama and Hu once again jointly defined the parameters of—and indirectly a core requirement for—the resumption of the Six-Party Talks.

Also of note, the January 19, 2011, Obama-Hu joint statement placed US and Chinese “concern regarding the DPRK’s claimed uranium enrichment program” clearly in the context

CONGRESSIONAL WATCH

Key Committees for Legislation Affecting U.S Policy Toward the Asia Pacific (continued from page six)

Senate Finance Committee

Democratic Members

Sen. Max Baucus (Montana)—Chairman
Sen. Jay Rockefeller (West Virginia)
Sen. Kent Conrad (North Dakota)
Sen. Jeff Bingaman (New Mexico)
Sen. John Kerry (Massachusetts)
Sen. Ron Wyden (Oregon)
Sen. Charles Schumer (New York)
Sen. Debbie Stabenow (Michigan)
Sen. Maria Cantwell (Washington)
Sen. Bill Nelson (Florida)
Sen. Robert Menendez (New Jersey)
Sen. Tom Carper (Delaware)
Sen. Benjamin Cardin (Maryland)

Republican Members

Sen. Orrin Hatch (Utah)—Ranking
Sen. Charles Grassley (Iowa)
Sen. Olympia Snowe (Maine)
Sen. Jon Kyl (Arizona)
Sen. Mike Crapo (Idaho)
Sen. Jim DeMint (South Carolina)
Sen. Pat Roberts (Kansas)
Sen. John Ensign (Nevada)
Sen. Mike Enzi (Wyoming)
Sen. John Cornyn (Texas)
Sen. Tom Coburn (Oklahoma)
Sen. John Thune (South Dakota)

House Ways and Means Trade Subcommittee

Republican Members

Rep. Kevin Brady (Texas-8)—Chairman
Rep. Geoff Davis (Kentucky-4)
Rep. Dave Reichert (Washington-8)
Rep. Wally Herger (California-2)
Rep. Devin Nunes (California-21)
Rep. Vern Buchanan (Florida-13)
Rep. Adrian Smith (Nebraska-3)
Rep. Aaron Schock (Illinois-18)
Rep. Lynn Jenkins (Kansas-2)

Democratic Members

Rep. Jim McDermott (Washington-7)—Ranking
Rep. Richard Neal (Massachusetts-2)
Rep. Lloyd Doggett (Texas-25)
Rep. Joe Crowley (New York-7)
Rep. John Larson (Connecticut-1)

of the September 19, 2005 joint statement.

Few analysts realistically expect China to abandon its erstwhile North Korean ally or to be proactive in putting major pressure on Pyongyang. However, at a minimum it is reasonable to expect China to recalibrate its position to make sure it recognizes that in the process of trying to avoid collapse in North Korea, its approach actually is increasing the risk of conflict and the likelihood of the further advancement of North Korea's nuclear program.

At this point, the key contribution China could make toward helping break the cycle of North Korean provocations would be simply to stop shielding North Korea from the consequences of its actions. The United States and its allies must continue to make the case to China that North Korea's

continued from page one

Lawmakers Press White House On FTAs

steps to address those issues, and a time frame for resolution," Camp said in a letter to USTR Kirk on March 7.

House Republican Adamance—The Ways and Means Chairman has been adamant that the White House advance all three FTAs to allow for their consideration by Congress before July 1. On that date, competing trade agreements (EU-Korea and Canada-Colombia) will go into effect. American exporters who now sell their products in these markets will be severely disadvantaged if US FTAs are not on the books by then, Camp argued.

The Ways and Means Committee Chairman further suggested that he would use the desire of both Congress and the administration to approve KORUS as leverage to secure timely completion of the Colombia and Panama accords.

House Democratic Position—Ways and Means Committee Ranking Member Sander Levin (D., Michigan) and Ways and Means Trade Subcommittee Ranking Member Jim McDermott (D., Washington) sent their own letter to USTR Kirk on March 7 strongly urging expeditious action on KORUS, referring to it as a "vital piece of a new trade policy."

But they parted ways with their Republican colleagues concerning the urgency of acting on the Latin American FTAs. House Democrats, in particular, have supported the demands of US labor unions that the Colombia and Panama agreements include commitments by those countries to rectify labor and human rights problems. Rep. Levin blasted Camp for "holding KORUS hostage" and "playing politics with this job-creating trade pact."

White House View of Colombia/Panama FTAs—To the acute frustration of FTA proponents, the Obama

actions are detrimental to the stability of the region and to China's own strategic national interests. ♦

*Mr. L. Gordon Flake is Executive Director of The Maureen and Mike Mansfield Foundation. Previously, he was a Senior Fellow and Associate Director of the Program on Conflict Resolution at The Atlantic Council of the United States and prior to that Director for Research and Academic Affairs at the Korea Economic Institute of America. Mr. Flake is co-editor with Park Roh-byung of the book *New Political Realities in Seoul: Working toward a Common Approach to Strengthen U.S.-Korean Relations* (Mansfield Foundation, March 2008). He is a regular contributor on Korea issues in the US and Asian press and has traveled to North Korea numerous times.*

administration appears to be obliging American labor. The [President's 2011 Trade Agenda](#), issued on March 1, states that US trade negotiators "are continuing to work to resolve outstanding issues related to [the Panama and Colombia] agreements, consistent with American values." USTR Kirk said in a recent interview that this could take "several weeks or months."

Uncertain KORUS Outlook—Chairman Baucus and Finance Committee Ranking Member Orrin Hatch (R., Utah) have echoed Camp's frustration with the administration's unwillingness to move the Latin American FTAs expeditiously. Baucus, who went to Colombia in February to examine labor issues affecting progress on the accord, told Kirk during the USTR's March 9 appearance before the panel that he was very impressed by reforms undertaken by the government of Colombian President Juan Manuel Santos.

Baucus, Hatch, and virtually every other Finance Committee member from both parties argued there no longer was reason to delay work on the implementing legislation. Importantly, the Finance Committee Chairman suggested he would follow Camp's lead and withhold action on KORUS until he receives a clear signal from the White House that the Colombia and Panama agreements will be sent to Congress in short order.

USTR Stands Firm—USTR Kirk refused to budge during both of his appearances before the House and Senate trade panels. On March 9, he said the White House will not compromise on such "serious outstanding issues" that cause Americans to question whether US trade policy ultimately serves their interests or effectively moves jobs offshore. As July 1 approaches, resolve on either side may shift. ♦



LEADERSHIP AND MEMBERS

Honorary Chairman

Hon. George P. Shultz

Thomas W. and Susan B. Ford Distinguished Fellow
The Hoover Institution

Chairman

Amb. J. Stapleton Roy

Director, Kissinger Institute on
China and the United States
Woodrow Wilson International Center for Scholars

Amb. Morton L. Abramowitz

Senior Fellow, The Century Foundation

Prof. Vinod K. Aggarwal

Director, APEC Study Center
University of California, Berkeley

Amb. Michael H. Armacost

Walter H. Shorenstein Distinguished Fellow Asia Pacific
Research Center, Stanford University

Hon. Doug Bereuter

President Emeritus, The Asia Foundation

Dr. C. Fred Bergsten

Director, Peterson Institute for International Economics

Amb. Julia Chang Bloch

President, US-China Education Trust

Amb. Stephen W. Bosworth

Dean, Fletcher School of Law and Diplomacy
Tufts University

Mr. Marshall M. Bouton

President, Chicago Council on Global Affairs

Amb. Paul Cleveland

Former Ambassador to Indonesia, Malaysia, and New
Zealand

Ms. Doral S. Cooper

President, C & M International

Dr. Vishakha N. Desai

President, The Asia Society

Prof. Richard L. Drobnick

Director, Center for Int'l Business Education &
Research, Marshall School of Business
University of Southern California

Mr. Michael L. Ducker

President, International
FedEx Corporation

Amb. Richard Fairbanks

Founder & Chairman of the Board
Layalina Productions, Inc.

Prof. Richard E. Feinberg

University of California, San Diego

Amb. Tom S. Foley

Former US Ambassador to Japan
Former Speaker, US House of Representatives

Amb. Charles W. Freeman, Jr.

Chairman, Projects International

Amb. Donald P. Gregg

Chairman Emeritus, The Korea Society

Hon. Lee H. Hamilton

Former Member, US House of Representatives

Prof. Harry Harding

Dean, Batten School of Leadership and Public Policy,
University of Virginia

Dr. Robert L. Healy

Principal and Senior Director
Wexler & Walker Public Policy Associates

Hon. Carla A. Hills

Chairman, Hills and Company

Prof. Merit E. Janow

School of International and Public Affairs
Columbia University

Sen. J. Bennett Johnston

President, Johnston & Associates, LLC

Amb. James R. Jones

Co-Chairman, Manatt, Jones, Global Strategies

Hon. James A. Kelly

Former Assistant Secretary of State for East Asian and
Pacific Affairs

Mr. Spencer Kim

Chairman, CBOL Corporation

Hon. Jim Kolbe

Senior Transatlantic Fellow
The German Marshall Fund of the United States

Mr. Roland Lagareta

Vice Chairman, Board of Governors
East-West Center

Hon. James A. Leach

Chairman, National Endowment for the Humanities

Dr. Chong-Moon Lee

Chairman, Ambex Venture Group

Dr. Kenneth Lieberthal

Director, John L. Thornton China Center
The Brookings Institution

Amb. Edward E. Masters

Former Ambassador to Indonesia

Dr. William F. Miller

Professor Emeritus, Stanford University

Mr. James Morgan

Chairman Emeritus, Applied Materials, Inc.

Dr. Charles E. Morrison

President, East-West Center

Prof. Joseph S. Nye Jr.

University Distinguished Service Professor
Harvard University

Dr. William H. Overholt

Senior Research Fellow, John F. Kennedy School
of Government, Harvard University

Dr. George R. Packard

President, United States-Japan Foundation

Prof. Hugh T. Patrick

Director, Center on Japanese Economics & Business,
Graduate School of Business
Columbia University

Prof. Peter A. Petri

Carl J. ShapirO Professor of International Finance
Brandeis University

Amb. Thomas R. Pickering

Former Under Secretary of State for Political
Affairs and Former US Ambassador and
Representative to the United Nations

Mr. Clyde V. Prestowitz, Jr.

President, Economic Strategy Institute

Amb. Charles L. Pritchard

President, Korea Economic Institute

Amb. Peter R. Rosenblatt

Partner, Heller & Rosenblatt

Hon. Stanley O. Roth

Vice President, The Boeing Company

Mr. Puongpun Sananikone

President & CEO, PacMar Inc.

Prof. David Shambaugh

The George Washington University

Amb. Richard H. Solomon

President, US Institute of Peace

Sen. Adlai E. Stevenson III

Chairman, Midwest US China Association

Mr. C. B. Sung

Chairman, Unison Group

Mr. Ko-Yung Tung

Senior Counsellor, Morrison & Foerster, LLP

US ASIA PACIFIC COUNCIL ADMINISTRATION

Satu Limaye, Director, East-West Center in Washington

Mark Borthwick, Director, USAPC

Barbara Wanner, Senior Projects Coordinator, USAPC

The United States Asia Pacific Council (USAPC) was founded in April 2003 by the East-West Center (EWC). It is a non-partisan organization composed of prominent American experts and opinion leaders, whose aim is to promote and facilitate greater US engagement with the Asia Pacific region through human networks and institutional partnerships.

The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options. The Center's 21-acre Honolulu campus, adjacent to the University of Hawai'i at Mānoa, is located midway between Asia and the US mainland and features research, residential, and international conference facilities. The Center's Washington, DC office focuses on preparing the United States for an era of growing Asia Pacific prominence.