Introduction
by François Godement and Agatha Kratz

The end of 2014 saw regional tensions in Northeast Asia cool. Dialogue between China and Japan was resumed, which came on top of intensified relations between China and South Korea. Not all of this progress was due to China’s initiatives. For example, North Korean leader Kim Jong-un has embarked on a course that seeks to limit Chinese influence over his regime, while eschewing any form of détente, save with Russia: this has made it easier for China to move closer to South Korea. Indeed, ties between China and South Korea have warmed up quickly under South Korea’s President Park Geun-hye, as illustrated by the six meetings between Xi and Park since both came to power in 2013. In turn, Pyongyang has sought out Russia as a balancing partner – and after Ukraine, Vladimir Putin has been happy to oblige, in another example of Russia’s attempted comeback as a strategic actor.

With regard to Japan, President Xi Jinping has evidently used his meeting with Prime Minister Shinzo Abe at the Asia-Pacific Economic Cooperation summit in November 2014 to cap rising tensions and to limit the risk of involuntary military escalation. This could not have happened unless Japan was also willing to compromise, and the two leaders’ joint communiqué, a model for the “we agree to disagree” school of diplomacy, gingerly concedes different interpretations of the historical background on island sovereignty in the East China Sea, while refraining from dealing with the dispute itself. The fact that both sides...
want to discuss means to avoid maritime and air incidents is also positive. But it is much too soon to judge whether this is merely a tactical pause in China’s march towards revising the post-war maritime boundaries in the Pacific, or whether it represents a more fundamental rethink.

If China’s relations with Japan and South Korea soften, it is predictable that its attitude to Taiwan will harden: Taiwan’s president, the Kuomintang (KMT) leader Ma Ying-jeou, has often lent his support to China’s territorial assertions, but his help is less needed at the moment. Taiwan’s democratic politics have also affected the situation: after the Sunflower Movement, in which Taiwan’s students opposed a liberalisation of services with China, and the Hong Kong umbrella movement, the tide has turned in favour of the Democratic Progressive Party (DPP), the party that formerly strongly supported independence for Taiwan. This has caused some concern in Beijing. Indeed, China has officially changed its stance in recent weeks – following on the hints that were dropped by some of the authors cited in this issue. China now wants political and security talks to be part of cross-strait relations, and it wants a timetable, not an open-ended transition, as had been the case since 2004.

This evolution comes at a time when Beijing is redefining its foreign policy priorities and again focusing on good relations with its direct periphery. Our authors explore Chinese views on these moves in Northeast Asia.

Sun Ru, a CICIR scholar, says China’s relationship with South Korea is “the best in history”. A strong foundation for bilateral relations is provided by intense trade and investments flows as well as shared security concerns in Northeast Asia – in particular about North Korea, but also about Japan. The relationship is anchored in the two countries’ long shared history, not in the 60 years since the Korean War, which some see as an interlude. Of course, our sources often see the United States as a spoiler, but some praise South Korea’s “strong strategic autonomy”. Yan Xuetong even calls for an “alliance” between the two countries, while Sun Ru suggests a trilateral dialogue between South Korea, China, and the US. Others do regret that, despite the improvement in ties with China, South Korea continues to favour the US over China. They soberly note that South Korea has also recently resumed military coordination with Japan and the US – a very different kind of triangle.

China’s frustration about North Korea is apparent. In 2014, tensions were increased by the purge of Jang Song-thaek, the regent who had appeared to dominate the transition from Kim Jong-il to Kim Jong-un, and by North Korea’s rapprochement with Russia since the Ukrainian crisis. Our sources are at a loss as to what exactly Putin expects from this meeting between “beggars who can’t be choosers”. They seem to waver between benign neglect and real concern. Once again, North Korea is successfully playing off its different partners.

In Taiwan, given the likely prospect of a KMT electoral defeat in 2016, and therefore a return of the less predictable DPP, our sources are torn between two courses. Should China continue to support the KMT, or should it engage the DPP? The outcome of the debate remains open, and here again, Beijing needs to rethink its bilateral strategy. Whichever direction is chosen, President Xi’s recent statements on Taiwan underline the concern with which Beijing views a potential DPP victory in 2016.²

Finally, the biggest uncertainty in Northeast Asia concerns the future of Sino-Japanese relations, even after the Xi-Abe meeting of November 2014. The bilateral truce remains fragile, to say the least. Our sources evidence something of a change of heart, even if they remain adamant on the history issues regarding Japan’s wartime past. This change is not only a consequence of the less rosy prospects of China’s domestic economy: there is also acknowledgement that China’s stance towards its neighbours may have hurt it in the region. China’s leadership is not “reckless”. It must acknowledge Abe as an unavoidable partner, since given his support at home, he is likely to remain in power until 2016.

These trends make a case for China to reset its foreign and security policy in Northeast Asia. It is still Beijing that calls the tune. But Japan at least, which has endured two years of controversies and incidents, can see much of its resilient stand vindicated by events.

1 See the forthcoming special issue of China Analysis, “China’s foreign policy: Prioritising the neighbourhood”, by Antoine Bondaz.

In November 2014, during a meeting between Japan’s Prime Minister Shinzo Abe and China’s President Xi Jinping on the margins of the Asia-Pacific Economic Cooperation Summit in Beijing, the two leaders finally put an end to two years of political crisis between their countries. A few days earlier, officials from the two countries had signed a “four-point agreement” to improve bilateral ties and lay the groundwork for bilateral issues to be resolved, including the territorial disputes over the Senkaku/Diaoyu islands.3 But given the troubles of the past two years, can the two countries now effectively stabilise their relations?

**Breaking the ice**

The Senkaku/Diaoyu islands crisis in 2012 began a two-year period during which no high-level political contact took place between the two countries, until the Abe-Xi meeting closed the chapter.8 Liang Yunxiang says that China decided to show strength in 2012 and took a firm stance against what it perceived as Japanese aggression. Abe’s visit in December 2013 to the Yasukuni Shrine, in which 14 Class-A Japanese war criminals are enshrined, made the situation even worse. China stated at that time that Abe was no longer a valid interlocutor.

However, Liang says that China came to realise that its tough stance on Japan was damaging its own political and economic interests. Between July and September 2014, Xi directed a change in China’s position. Japan’s former prime minister, Yasuo Fukuda, visited Beijing in August and met with Xi. In September, in a speech made to commemorate the sixty-ninth anniversary of the Chinese victory over Imperial Japan, Xi expressed willingness to improve bilateral ties with Japan, provided that Japan too made a serious effort towards rapprochement.5

Liang says that taking the decision to hold a meeting between the two leaders was difficult on both sides. Although Abe favoured the meeting, he had to deal with strong public resentment towards China at home. Similarly, Xi had to abandon China’s previous position that Abe was not a valid partner. The People’s Daily article says that China’s acceptance of the meeting was a sign of its responsible attitude towards Japan.

After the two sides agreed to hold a high-level meeting, conditions had to be set under which political dialogue should be resumed. This was done in the four-point agreement reached between the two countries a few days before the Xi-Abe meeting. Liang says that one of the concrete outcomes that emerged was the announcement of discussions on a bilateral maritime crisis management mechanism. He adds that the four-point agreement is quite vague, but that this is probably for the best: a more precise agreement would have not been flexible enough to allow political dialogue to be resumed.

Liang says the change in China’s position on Japan forms part of a wider evolution of China’s foreign policy. Between 2008 and 2014, China saw itself as an emerging major global power, especially in the context of the economic meltdown in the West. For that reason, China began to assert itself on various issues, including the territorial disputes in the South and East China Seas. This led to resentment in China’s neighbouring countries. Recently, China has

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3 Zhong Sheng is the pseudonym used by the International Affairs department at the People’s Daily to sign collective editorial articles.

4 Ding Dong is an independent political commentator who writes about both China’s domestic affairs and China’s foreign policy. His blog can be found at [http://dingdong.blog.21ccom.net](http://dingdong.blog.21ccom.net).

5 Liang Yunxiang is a professor of international relations at Beijing University who is an expert on post-war Sino-Japanese relations.

6 Xiao Gongqin is a historian, an expert on the First and Second Sino-Japanese wars, and one of China’s most prominent proponents of “neo-authoritarianism”.


8 Tensions between China and Japan escalated in September 2012 after Tokyo announced the nationalisation of three of the Senkaku islands from a private owner. Called "Diaoyu" Islands by Beijing, this group of inhabited islands is effectively controlled by Japan, but Beijing also claims sovereignty. This nationalisation provoked large-scale protests in China and a significant degradation of Sino-Japanese relations. For more on the crisis, see [China Analysis: Shockwaves from the China/Japan island dispute, European Council on Foreign Relations and Asia Centre, February 2013, available at http://www.ecfr.eu/publications/summary/china_analysis_shockwaves_from_the_china_japan_island_dispute](http://www.ecfr.eu/publications/summary/china_analysis_shockwaves_from_the_china_japan_island_dispute).

realised that the new attitude towards its neighbours was not conducive to creating a stable environment to help it deal with lower growth prospects at home. Therefore, it has altered its diplomatic course.

**Shared responsibilities?**

All the authors stress that the improvement in China-Japan relations was hard won and remains fragile. The *People’s Daily* article says that Japan was responsible for the previous crises between the two countries. Japan’s politicians use China as a way to draw attention away from domestic difficulties. The newspaper argues that right-wing Japanese nationalists should focus on pursuing the path of peaceful development followed by Japan in the decades since the Second World War. But instead, anti-China discourse is more and more frequent in the Japanese media. This runs counter to both peoples’ aspirations for stability and puts at risk the prospects for the improvement of ties between the two countries.

Ding Dong says that Japan is sending mixed signals about its intentions towards China and other neighbouring countries. In January 2015, shortly after beginning his third term as prime minister, Abe decided to increase Japan’s defence expenditure for the third time since the beginning of his second term as prime minister in 2012. This move came after 11 consecutive years of decrease in the defence budget (2001-2012). The Japanese Ministry of Defence said the decision was made because of the growing challenges in Japan’s strategic and security environment, and because a failure to increase the defence budget would send the wrong signal to other countries. Ding believes this comment was aimed at China and North Korea and evidences a lack of strategic trust between the Northeast Asian countries. To try to address the uncertainties that this mistrust creates, Japan has increased the defence budget and is prepared to change its constitution to alter the framework within which Japan’s defence capabilities are decided. Ding says that these moves will eventually create a new strategic balance between the two countries.

All the commentators agree that both countries know conflict would hurt their interests. Ding Dong says that Japan is sending mixed signals about its intentions towards China and other neighbouring countries. In January 2015, shortly after beginning his third term as prime minister, Abe decided to increase Japan’s defence expenditure for the third time since the beginning of his second term as prime minister in 2012. This move came after 11 consecutive years of decrease in the defence budget (2001-2012). The Japanese Ministry of Defence said the decision was made because of the growing challenges in Japan’s strategic and security environment, and because a failure to increase the defence budget would send the wrong signal to other countries. Ding believes this comment was aimed at China and North Korea and evidences a lack of strategic trust between the Northeast Asian countries. To try to address the uncertainties that this mistrust creates, Japan has increased the defence budget and is prepared to change its constitution to alter the framework within which Japan’s defence capabilities are decided. Ding says that these moves will eventually create a new strategic balance between the two countries.

Ding Dong says that Japan’s increased defence budget is thus a result of its perception of China as a threat and of US encouragement to Japan to play a more proactive role in regional stability and security. Ding says that the launch of discussions on a maritime crisis management mechanism must be seen in this context. Japan’s effort to push for discussions to set up such a mechanism, even though it is a positive development, is only part of the picture.

All the commentators agree that both countries know conflict would hurt their interests. Ding Dong writes that the Chinese leadership genuinely wants to keep bilateral tensions under control. Nor do the US and Japan want military conflict with China. The main objective of US-Japan strategy is, in fact, to deter China from attempting to question the current world order.

But China must also take responsibility for maintaining good relations. Liang says that China should understand that isolating Japan would ultimately be counterproductive and would force the Japanese leadership to resist China’s pressure. China should also acknowledge that Shinzo Abe has established himself as a strong political leader in Japan with a solid backing, and therefore should accept him as its interlocutor – especially as he is very likely to remain in office in 2015 and 2016, barring a scandal within his cabinet or the collapse of the Japanese economy.

**Playing the history card**

All the authors see China and Japan’s history as an essential factor in the recent evolution of China-Japan relations. Xiao Gongqin says that Japan has a complex about insecurity because of its history and insularity. In the first part of the twentieth century, two different points of view on China emerged in Japan. The first was the idea that Japan and China should remain united against Western influence and imperialism in order to protect their shared Northeast Asian identity and culture. The second said that if China was unable to combat Western influence, then Japan should immediately seize its territory to build a base to resist Western aggression. Xiao says that indications can be seen today of a rejuvenation of this kind of historical Japanese thinking, even if it is not yet part of mainstream discourse.

Xiao says that Japan should learn from history so that it does not repeat past mistakes. Abe should not visit the Yasukuni Shrine again. If he does, bilateral relations could again be damaged, and the efforts made since the Abe-Xi meeting would have been in vain. All the authors agree that Japan should acknowledge its historical responsibilities. But Xiao notes that Japan instead prefers to focus in its historical memory on its contribution to world prosperity and peace since 1945, especially in the field of economic development aid.
Liang says that China’s use of the history card to put pressure on Japan is a reasonable strategy. In July 2014, Xi commemorated the seventy-seventh anniversary of the Marco Polo Bridge incident; in September, he celebrated the end of the China-Japan war; and in December, he memorialised the Nanjing massacre.† All these events were used to put pressure on Japan, especially in the context of its increased defence spending, or else to announce a significant evolution of China’s attitude towards Japan. China will have further opportunities for this sort of thing in 2015, notably with the celebrations of the seventieth anniversary of the end of the Second World War.

None of the authors can say whether the recent improvement in the relationship between Japan and China will endure. The current respite might very well be the product of a situation in which neither country has a choice but to resume political dialogue, given both countries’ mediocre economic outlook. However, a new window in Sino-Japanese relations has been opened, even if it remains fragile and could be shattered by a new bilateral crisis. All the authors identify the launch of discussions on a bilateral mechanism to manage maritime crises as a positive development. It provides evidence that both countries may well have reached a level of strategic understanding – if not yet of trust.

2. Is Russia driving a wedge between North Korea and China?

Angela Stanzel

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Ding Dong, “Why should China revalue its North Korea policy?”, Gongshi Wang, 30 December 2014.12
Cai Tingyi, “North Korea and Russia Hug”, Caijing Magazine, 1 December 2014.14
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It has been two years since Kim Jong-un took over from his father, Kim Jong-il, and since the new leader came to power, China’s relations with North Korea have significantly cooled. Kim Jong-un has overseen nuclear and missile tests and, in 2013, threatened nuclear strikes against both the United States and South Korea. In December 2013, Kim Jong-un’s uncle, Jang Song-thaek, was executed. Jang was Beijing’s most important point of contact in Pyongyang and his downfall indicated that North Korea was trying to further weaken China’s control and influence in the country. China should be growing worried about this apparently unpredictable young leader in Pyongyang, who has little concern for his country’s only ally. If Kim Jong-un were to trigger a larger crisis on the peninsula, China would quickly be drawn into it. Chinese politicians can surely not indefinitely be willing to take political and economic risks at the levels that North Korea asks.

Meanwhile, North Korea seems to have reached out to another potential ally, a country that also finds itself in need of friends: Russia. Chinese expert Zhang Zhongyi discusses the history of relations between North Korea and Russia. During the Cold War, the Soviet Union maintained good relations with North Korea. But after the Soviet Union

† The Marco Polo Bridge Incident (7–9 July 1937) was the first battle between China and Japan in the Second Sino-Japanese War (1937–1945). September 2014 marked the sixty-ninth anniversary of Japan’s surrender at the end of the war in 1945. The Nanjing Massacre (1937–1938) took place over a six-week period following the Japanese capture of Nanjing, then China’s capital, in December 1937; by the time the massacre ended, somewhere between 50,000 and 300,000 Chinese had been killed by the Japanese army.

11 Zhang Zhongyi is executive director of the Korean China magazine and director of the Charhar Institute.
12 Ding Dong is an independent political commentator who writes about both China’s domestic affairs and China’s foreign policy. His blog can be found at http://dingdong.blog.21ccom.net
13 Lü Chao is a researcher on the Korean Peninsula at the Liaoning Academy of Social Sciences.
14 Cai Tingyi is a journalist for Caijing Magazine.
15 Li Dunqiu is a visiting researcher at the Korea Research Institute of Zhejiang University and director of the Research Centre for Korean Peninsular Studies at the Institute of World Development Research Centre of the State Council of the PRC.
current crisis. But Zhang argues that the development of Russia-North Korea relations runs deeper than that. Putin’s strategy to establish relations to the east began before the Ukraine crisis, and Zhang thinks that economic cooperation between Russia and North Korea is set to become more stable and durable. Improving economic relations could benefit Russia’s long-term Asia-Pacific strategy.

But whether Russia wants to use relations with North Korea to improve its position in the east or to use North Korea to build a stronger alliance against the US, Zhang says that Russia is overrating North Korea’s position and influence. Therefore, Russia might not gain as much benefit from North Korea as it might hope. North Korea, on the other hand, stands to gain from closer ties with its Russian partner. It could use Russia to alleviate, to some extent, the pressure brought to bear by US-led Western countries, while improving its economic development through cooperation with Russia.

According to Ding Dong, “Desinicisation” (去中国化, quZhongquohua) is one of Kim Jong-un’s most important goals. This policy aims to restore relations between China and North Korea “to their original condition” (恢复原状, huifuyuanzhuang), as they were before 2008-2009, when North Korea was less dependent on China and China was less inclined to prioritise its relations with North Korea over its relations with South Korea. Ding does not mean that North Korea wants to sever ties with China – China is still North Korea’s only lifeline. Rather, North Korea’s priority must be to promote relations with other neighbours, such as Russia, while maintaining good relations with China. Both North Korea and Russia have been forced “into diplomatic isolation” (陷入外交孤立, xianru waijiao guli), so each is desperate to establish relations with another country. This could bring about a diplomatic breakthrough between the two – because “beggars can’t be choosers” (饥不择食, jibuzhishi). And like North Korea, Russia finds that it has become very dependent on China as a result of Western sanctions. This too may push it closer to North Korea.

Given China’s importance to his country, Kim Jong-un needs to be careful in dealing with bilateral relations, Ding says, especially if he intends to pay his first state visit to Russia. It is still very uncertain whether Kim can balance North Korea-Russia and North Korea-China bilateral talks. Ding says that North Korea is “seeking but failing to achieve” (求之不得, qiuzhebu de) this equilibrium. China may not be willing to accept a “compromise” (委曲求全, wei qu qiuquan) and lower its profile. Therefore, North Korea may not be able to have Russia (or any other country) as an equal partner alongside China.
What does it mean for China?

Zhang Zhongyi believes that the improvement in North Korea-Russia relations is not necessarily a good thing for China. Beijing wants to see economic cooperation between North Korea and Russia develop further, so as to help stabilise the Korean peninsula. But the development of North Korea relations with Russia will also bring changes in the “structure” (力学结构, lixue jiegou) of the Korean Peninsula and Northeast Asia. Zhang implies that if Russia settles down as a long-term player in Northeast Asia, it could have drawbacks for China. Eventually, he believes, it will fall to China as the major player in the region to ensure the region’s stability.

Ding Dong says that Beijing should keep up normal exchanges (and relations) with Pyongyang. China should urge North Korea to fulfil the provisions in the 1961 “Sino-North Korean Mutual Aid and Cooperation Friendship Treaty” (“中朝友好互助条约”), which promotes peaceful cooperation and the safeguarding of the security interests of the Korean Peninsula.

Ding has two suggestions, one for the short term and one for the long term. In the short term, China should “break the ice” (打破冷淡关系, dapo lengdan guanxi) with North Korea. It should try to strengthen the bilateral relationship in order to prevent Russia from “squeezing” (牵制, qianzhi) China’s space. In the long run, China should deepen strategic cooperation with South Korea and the US so as to denuclearise the Korean Peninsula, to create a “neutral zone” (中立区, zhongli qu) in the region, and to promote unification.

Lü Chao, on the other hand, does not believe that an improvement in the relationship between Russia and North Korea will harm China’s interests. He says that North Korea has been trying to break out of its “isolation” (孤立, guli) since the second half of 2014, and he accepts that since then, contacts between North Korea and Russia have become “unusually frequent” (异常频密, yiching pinmi). However, he thinks the only basis for the rapprochement is the current Ukraine crisis and the fall-out between Russia and the West, and the US in particular. Russia is simply trying to demonstrate that it has allies. Cai Tingyi’s recent article in Caijing comes to the same conclusion: North Korea and Russia both have an interest in showing the outside world that they can form an alliance against the US.

Lü does not think that Russia-North Korea relations will have a major impact on the situation in Northeast Asia. North Korea needs to reach a breakthrough with the US, Japan, and South Korea. But its relations with Russia are non-strategic and not obviously useful. Lü does not think Kim Jong-un’s visit to Russia will have an impact either on China’s friendly relations with North Korea or on the geopolitical situation in Northeast Asia as a whole. On the contrary, China welcomes stronger ties between Russia and North Korea because it might support Beijing’s push towards reforms and opening up policy in North Korea.

Russia began to look east even before the Ukraine crisis, as Zhang points out, but Lü notes that Moscow’s attention to North Korea has increased significantly since the crisis. If Lü is right, Russia could disappear from the Northeast Asian landscape as soon as the stand-off between Russia and the US is over. However, it might be a long time before the tensions between Russia and the US are defused. Either way, China seems to have a choice as to whether to pay more or less attention to Russia-North Korea relations and as to how it should react to secure its interests in the Korean Peninsula. Li Dunqui raises one final option: the “abandon North Korea theory” (“弃朝论”, qichaolun). Li says a debate is taking place in China about whether it would be best for China to abandon North Korea entirely – either because it has lost its geo-strategic purpose or because of its provocative behaviour.19 Li argues against the idea, and Russia’s re-emergence in Northeast Asia might suggest that North Korea is still of geo-strategic importance to China.

China and South Korea have moved closer since the establishment of diplomatic relations in 1992. A low point was reached in 2010, when China refused to openly criticise North Korea over the Cheonan and Yeonpyeong incidents.26

3. China-South Korean relations: The best they have ever been
Antoine Bondaz

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Chuang Luowen, “China and South Korea shake hands, Japan and North Korea are getting closer”, Guanchazhe Wang – Observer Online, 4 July 2014.
Li Kaisheng, “The deployment of THAAD will damage the basis of China-South Korea relations,” Huanqiu Shibao – Global Times, 9 February 2015.25

But relations have warmed dramatically since Park Geun-hye became president of South Korea in 2013. In economic terms, the relationship between the two has never been more important. China is South Korea’s largest trading partner, its biggest export market, its biggest source of imports, and the main destination for South Korean foreign investment. In 2013, bilateral trade volume exceeded South Korea’s trade with the United States, Japan, and the European Union combined. China is also a top destination for South Korean tourists and students, and 800 flights go between the two countries every week.

To further consolidate links, and in response to Park Geun-hye’s visit to Beijing in July 2013, China’s President Xi Jinping visited Seoul on 3-4 July 2014. This visit is a first in the history of Chinese diplomacy: Xi’s two predecessors, Hu Jintao and Jiang Zemin, both made an official visit to North Korea’s capital, Pyongyang, before traveling to Seoul. In an article published in the three largest Korean daily newspapers on the eve of his visit, Xi said that China and South Korea are more than “good neighbours” (好邻居, hao linju); the two countries form a “community of interest” (利益共同体, liyi gongtongti), both politically and economically.

Towards a China-South Korea alliance?
Yan Xuetong’s remarks in April 2014 at a conference at Sungkyunkwan University, Seoul, are reported in the Chinese version of South Korean newspaper Chosun Ilbo. Yan calls for a formal alliance between China and South Korea.27 He says the two countries have three common security interests: the fight against the North Korean nuclear threat; the desire to reduce the threat from Japan; and the need to maintain peace and stability in Northeast Asia. If South Korea is wary of the term “alliance” (联盟, lianmeng), Yan suggests replacing it with the term “community of destiny” (命运共同体, mingyun gongtongti), since the two countries are now dependent on each other.

Li Dunqiu also argues for a bilateral alliance. He says that China and South Korea have historically been allies and that the Cold War, which led to confrontation between the two, was a brief historical anomaly. The Chinese empire has been protecting the Korean peninsula from Japanese invasions since the seventh century. So, the China-Korea alliance is already more than 1,300 years old and, moreover, is “sealed in blood” (鲜血凝成, xianxue ningcheng).28

Li sees the rationale for an alliance as being based on geopolitical considerations. China and Korea are both continental powers facing maritime powers, Japan and North Korea shelled South Korea’s Yeonpyeong island.

20 Yan Xuetong is dean of the Institute of Modern International Relations at Tsinghua University.
21 Li Dunqiu is a visiting researcher at the Korea Research Institute of Zhejiang University and director of the Research Centre for Korean Peninsular Studies at the Institute of World Development Research Centre of the State Council of the PRC.
22 Li Zhiye is director of the China Institute of Contemporary International Relations (CICIR).
23 Sun Ru is deputy director of the Institute of World Politics, CICIR.
24 Chuang Luowen is a reporter for Phoenix TV.
25 Li Kaisheng is an associate researcher at the Institute of International Relations, Shanghai Academy of Social Sciences (SASS).
26 On 26 March 2010, a South Korean navy ship, the Cheonan, was sunk off South Korea’s west coast, killing 46 sailors. An official South Korean investigation concluded that it had been sunk by a North Korean torpedo. North Korea denied responsibility and China refused to accept the investigation’s results. On 23 November 2010, two marines and two civilians were killed when China CITIC Press, 2013).
28 It is interesting to note here that the term is more commonly used to characterise China-North Korea relations, especially after the Korean War.
the United States. And in confrontations in Asia between continental and maritime powers, the Korean Peninsula is always the first victim, as shown by the First Sino-Japanese war (1894-1895), the Russo-Japanese war (1904-1905), the Second Sino-Japanese war (1931-1945), and the Korean War (1950-1953). Therefore, Li says, history shows that regional stability can only be ensured by a strong alliance between China and the Korean Peninsula. However, in the last 60 years, South Korea has been forced to form an unnatural alliance with maritime powers, which has led to its own territorial fragmentation and ethnic division.

The potential for a trilateral dialogue mechanism with the US

Li Zhijie thinks the concept of a Northeast Asian community between China, South Korea, and Japan is long gone. However, Sun Ru notes South Korea’s pragmatic “dual hedging policy” (两面下注政策, liangmian xiazhu zhengce) of relying on the US-South Korea alliance for security issues, and on China-South Korea relations for economic issues. He believes that this policy opens the door for a new trilateral mechanism to be set up between China, South Korea, and the US, based on the model of the NATO-Russia Council. Seoul has been trying to enhance its “strong strategic autonomy” (强战略自主性, qiang zhanlue zizhu xing), and is “not willing to choose sides” (不愿“选边站”, buyuan “xuanbian zhan”) between the US and China. This means that, by cooperating with both countries, South Korea could form a bridge between the two. Sun thinks that South Korea’s diplomacy in the region should be a model for other Asian countries.

Sun says that South Korea’s new, more balanced policy has been made possible by the election of President Park. Park has re-prioritised China, unlike her predecessor, Lee Myung-bak, who was concerned to strengthen the alliance with the US. It was symbolic of these new closer ties that Park chose to visit Beijing before visiting Tokyo, thus changing the traditional custom of first visiting the US and Japan, and then China and Russia. Even though South Korea remains a US ally, relations with China are now “at the best state in history” (历史上最好的状态, lishi shangzhi zu hao de zhuangtai) – which should make a trilateral dialogue mechanism possible.

However, Sun sees three obstacles to trilateral cooperation. The first is the fundamental difference between China, South Korea, and the US in their approaches to dealing with North Korea. China refuses to further sanction North Korea, because it believes the main root of the North Korean issue is the country’s self-perceived insecurity – a problem that can only be addressed by the US. For this reason, China often denies that, as North Korea’s sole ally, it has the greatest responsibility for dealing with the situation; it believes responsibility is shared. And, so as not to provoke its ally, China refuses to hold talks with the US and South Korea on contingency planning – creating an operational plan that could be used if the North Korean regime were to collapse.

The second obstacle is Japan. China and South Korea strongly criticise Japan’s denial of its past crimes and oppose Japan’s revision of its constitution to reform its security policy. Washington has neither spoken out against Tokyo’s provocations nor opposed its security reform, since the move would help decrease the burden on the US alliance. Both Li Kaisheng’s editorial in Huanguo shibao and the unsigned editorial of 4 July in the same newspaper say Japan is a major issue. The unsigned editorial says that South Korea forms a “buffer” (缓冲, huanchong) between China and the US, but Japan’s attitude is “hostile” (敌视, dishi). Japan wants to oppose and contain China, and its strategy to do so is to get closer to some Asian countries and to make use of US capabilities. Moreover, Li Zhijie says that Japan has recently begun to improve relations with North Korea, which is reshaping the regional balance. Chuang Luowen also addresses the rapprochement between Tokyo and Pyongyang; he believes that it is much more than just a “coincidence” (巧合, qiaohao). It is aimed at weakening China’s influence in the Korean Peninsula. Chuang says that, faced with this new North Korea-Japan nexus, China and South Korea have become “indirect allies” (间接盟友, jiexian mengyou).

Seoul has been trying to enhance its “strong strategic autonomy”, and is “not willing to choose sides” between the US and China.

The third problem, according to Sun Ru, is the US, whose position on a trilateral dialogue mechanism remains ambiguous. The US does not want Japan to feel that trilateral talks will weaken the US-Japan alliance. Moreover, the focus of Barack Obama’s administration has shifted from Northeast Asia to Southeast Asia, and the US president does not want to invest more diplomatic efforts in the region. And finally, Obama’s priority is to promote trilateral mechanisms within the existing set of US alliances – between Japan, South Korea, and the US, and between Japan, Australia, and the US. Indeed, Washington’s main priority remains strengthening its relations with its allies to prevent the rise of China. A trilateral dialogue mechanism between China, South Korea, and the US could “blur the boundaries between allies and opponents” in the region (模糊盟国与对手的界限, mouhu mengguo yu duishou de jiexian) and thereby weaken US leadership and long-term interests in the Asia Pacific.
The “US factor” and the THAAD

Li Kaisheng considers the “US factor” (美国因素, Meiguo yinsu) to be the biggest obstacle to a further improvement of China-South Korea relations.30 The US continues to “interfere” (干扰, ganrao) in bilateral relations between the two countries. The latest example of this interference is the US plan to deploy its anti-missile defence system (THAAD) in South Korea. The system is officially aimed at protecting US allies against the North Korean threat, and has already been deployed in Japan and aboard US military ships in the Pacific. However, if it were deployed in the Korean Peninsula, since its range exceeds 2,000km, it would cover part of China’s territory and undermine Beijing’s second-strike capacities.

Li Zhiye says that deploying THAAD in South Korea would be a direct threat to China, making China’s strong opposition a reasonable response. He says that South Korea is wrong to be concerned about the North Korean threat: Seoul still has a significant economic and military advantage over North Korea. Li Kaisheng believes that if South Korea accepts the US deployment, it would further provoke North Korea, destabilise the region, and endanger bilateral relations between China and South Korea. In the face of pressure from the US, South Korea appears to be “half willing, half unwilling” (半推半就, bantiu banjiu). However, Li warns that South Korea’s security cannot be improved at the expense of China’s.

The Chinese scholars all stress South Korea’s more balanced diplomacy since the election of President Park. However, they fear that South Korea may choose the US over China, since its security interests are still more important than its economic interests. Sun Ru thinks one of China’s priorities should be to handle the North Korean issue more effectively. This would reduce South Korea’s insecurity, undermine the US-South Korea alliance, and keep Seoul from choosing Washington over Beijing.

4. Relations with Taiwan after the nine-in-one elections

Elizabeth Larus

Sources:
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On 29 November 2014, Taiwanese people went to the polls to elect candidates in the island’s local elections (commonly referred to as the “nine-in-one elections” for the nine levels of government offices to be filled in one day of elections). The stunning defeat of the current ruling party, the Kuomintang (KMT), spells disaster for the KMT in the general election to be held in 2016. At the same time, it throws relations between Taiwan and China into doubt.

Many analysts predicted a poor outcome for the KMT, but few projected the scale of the defeat. Before the election, the KMT held 14 of 22 municipalities and counties. When the polls closed, the KMT had control of only six. Its rival, the Democratic Progressive Party (DPP), took seven municipalities and counties from the KMT, while independent candidate Ko Wen-je won the Taipei mayoral race.

The KMT defeat happened for several reasons. Party morale was low and the party was not united. Taiwan’s president, then KMT chairman, Ma Ying-jeou, had seen his approval ratings crash. The Ma administration had lost significant support because of its unpopular reforms and its poor response to recent scandals. And the party had failed to keep a hold on younger supporters.

Taiwan watchers believe that the KMT’s election defeat is a bellwether for the presidential election, to be held in 2016. A DPP victory is already projected. The KMT’s falling fortunes are worrying for Beijing. The Chinese government

30 The term is now common in Chinese academic articles and has been used to describe US interference in the China-Japan relationship, and also in China-Japan relations. For more on this issue, see Antoine Bondaz, “The US factor in the China-Japan dispute over the Diaoyutai” in China Analysis: Shockwaves from the China/Japan Island dispute, European Council on Foreign Relations and Asia Centre, February 2013, available at http://www.ecfr.eu/publications/summary/china_analysis_shock-waves_from_the_china_japan_island_dispute.
31 A Chinese scholar based in the US, Zhou Nongjian is a frequent columnist on cross-strait issues.
32 Ma Jun is a journalist for Phoenix Weekly.
33 Ye Shengzhou is a government official at the agricultural department of the Shanghai Municipality, and a very active and regular commentator on Chinese current affairs.
34 Li Jie is a journalist for China Taiwan Online.
is suspicious of the DPP because of the party’s past support for Taiwan independence; Beijing prefers to see the KMT in the presidential palace. Therefore, Chinese authorities tried to help Ma and the KMT by easing cross-strait tensions: Beijing opened mainland markets to Taiwan companies, cut tariffs on Taiwan products exported to the mainland, and began negotiations on a Cross-Strait Service Trade Agreement.

Some of Beijing’s efforts, such as the trade services agreement, created tension in Taiwan. However, analysts from the mainland do not see the KMT’s defeat as having been a result of the party’s cross-strait policy. Rather, they see the loss as reflecting public dissatisfaction about Taiwan’s sluggish economy, unemployment, and the unpopular reforms to education, pensions, and the military, along with the KMT’s failure to adequately engage Taiwan’s youth. So, although it worries about a DPP win in 2016, Beijing has concluded that it does not need to change its policies toward Taiwan, and that the 1992 Consensus of “one China, different interpretations” (一个中国，一边一国) has become the KMT’s new party chairman, Zhu Lilun (朱立伦), who is slightly more alarmist about the political future of the KMT. He says it is true that, taking into account only Taiwan’s six major municipalities, the DPP won a big victory. But if you look at local levels of government, the KMT and pro-KMT forces still have an advantage: KMT grass-roots organisations at county, town, and village levels are more capable than those of the DPP.

**Local politics and the KMT’s future**

None of the writers believe that Ma’s cross-strait policy was the decisive factor in the KMT’s election defeat. They acknowledge that Ma’s proposed Cross-Strait Services Trade Agreement was one of the grievances of the “Sunflower Movement” (太阳花学运, taiyanghua xueyun). But the writers say that the movement’s participants had other grievances – as did voters. For instance, Li Jie says that the 2014 food scandal, in which cooking oil was found to be adulterated with waste oil, also contributed to the KMT loss, as did Ma’s reforms to pensions, education, and the military. Ye Zhongqiao says party squabbles among Ma, Taiwan’s Premier Wu Den-yih, and the Speaker of the Legislature, Wang Jin-pyng, undermined KMT party strength. Ye, Zhou Nongjian, and Ma Jun all say that the century-old KMT is having trouble attracting the younger generation. Ye notes that the KMT’s membership fell to just 300,000 in 2015, from more than 1 million a year earlier.

Weak leadership is another problem that could have a detrimental effect on the KMT’s political future and on cross-strait relations. Ye Shengzhou says Chu Liluan (朱立伦), Zhu Lilun’s new party chairman at a particularly bad time for the party; he is widely believed to be the weakest KMT leader in ten years. He faces a wide range of challenges, such as low party morale and disunity, the loss of public support, and the need to carefully manage cross-strait relations, given that Beijing wants Chu to follow Ma’s mainland policy. In a congratulatory note to the newly elected Chu, China’s President Xi Jinping called for “tacit understanding, interaction, and consensus” (相互间有默契, 有互动, 有共识, xianghu jian you moqi, you hudong, you gongshih) between the Communist Party and the KMT. He called on the KMT to stick to the 1992 Consensus and to oppose independence for Taiwan. Ye believes that Taiwan’s domestic and party politics will make it difficult for Chu to make any big moves in cross-strait relations. Instead, Chu’s most pressing tasks are to revitalise the KMT and to deal with employment, wages, environmental protection, and food security. Despite the benefits China brings to Taiwan’s economy, cross-strait relations cannot be Chu’s priority.

Li Jie quotes Lin Gang, the director of the Taiwan Research Centre at Shanghai Jiaotong University, who is slightly less alarmist about the political future of the KMT. He says it is true that, taking into account only Taiwan’s six major municipalities, the DPP won a big victory. But if you look at local levels of government, the KMT and pro-KMT forces still have an advantage: KMT grass-roots organisations at county, town, and village levels are more capable than those of the DPP.

**Civic groups as influential political actors**

The authors say that “civic groups” (公民团体, gongmin tuanti) are increasingly playing a vital role in shaping Taiwan’s political agenda. Li Jie and Ma Jun believe that the blue-green political dichotomy, based on support or opposition for independence, is giving way to a “third force” (第三股势力, disangu shili) of social movements. Mostly made up of young people, this “third force” is becoming the new normal in Taiwan politics. Li finds that, by using the Internet and other new media forms to communicate, the political spontaneity of the “third force” is becoming even stronger than the blue-green divide over Taiwanese independence.

Ma Jun says the Sunflower student movement, the nine-in-one elections, and the activities of citizen groups have all been important factors in shaping Taiwan’s political agenda. Dissatisfaction with Ma’s Cross-Strait Service Trade Agreement resulted in students occupying Taiwan’s legislature for more than one month and conducting mass protests that surrounded the presidential palace.

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35 A group of students and activists who occupied Taiwan’s parliament in March and April 2014 in protest against the agreement, which would open up Taiwanese service markets to China, and vice versa. For more information on the Sunflower Movement, see Tanguy Lepesant, “Les étudiants dans la rue pour la démocratie taiwanaise”, China Analysis, Asia Centre, June 2014.

Ma says that the movement marked the beginning of the democratisation of Taiwan’s social movements. He says the movement’s anti-globalisation, anti-capitalist, and anti-elite agenda will continue to affect policymaking throughout 2015. Ma and Li say that citizen groups will continue to be a “third force” in Taiwan’s politics in 2015. Beijing’s interests will be affected by demands made by various citizen groups for constitutional reform, Taiwanese independence, or changes to the name or anthem of the country. How they balance the voice of citizens’ groups will be a test for the two potential future leaders, the KMT’s Chu Liluan and the DPP’s Tsai Ing-wen.

The return of the DPP

Zhou Nongjian argues that the nine-in-one election results are significant in what they say about Taiwanese public opinion: the people want the DPP back in political power. The Chinese authorities do not want this to happen. Since the administration of Hu Jintao and Wen Jiabao, which began in 2003, Beijing has been trying to support the KMT in its efforts to stay in power. Arguably, it has tried to protect Ma Ying-jeou by promoting the cause of reunification, calling a diplomatic truce on the tug-of-war among Taiwan’s diplomatic allies, and offering Taiwan economic benefits. But Beijing could not prevent the KMT’s defeat and the DPP’s comeback. Zhou says that, as the older generation of Chinese from the mainland die and those who have never known a fully unified China take over, public opinion in Taiwan will naturally become more “green”:

- As examples, he cites the Sunflower Movement and the election results.
- In the aftermath of the nine-in-one elections, he says, Beijing faces a difficult choice: to continue the Hu-Wen policy on Taiwan, or to try another tactic. Beijing has pursued its current policy for more than ten years, but it has not been able to reverse the trend of Taiwanese public opinion. Now, Zhou says, the ball is in the DPP’s court. Beijing’s approach depends on whether the DPP goes back to the anti-China policies of previous DPP president, Chen Shui-bian, or continues Ma Ying-jeou’s route of thawing cross-strait relations.

Zhou says that the DPP’s return to power could in fact be advantageous for the mainland. For years, Beijing has been trying to get Taiwan to enter into political negotiations, but the KMT’s origins on the Chinese mainland and the DPP’s connections in Taiwan have hindered these efforts. Suspicion about Ma’s attempts to pursue favourable cross-strait economic policies resulted in boycotts. Political negotiations are even more difficult to advance than economic and trade policies – and although KMT officials have displayed their love for Taiwan, the KMT’s mainland origins have made it difficult for the party to move negotiations forward. It may turn out that, in trying to negotiate with China, the DPP meet with fewer doubts and less resistance in Taiwan.

The authors believe that the nine-in-one elections have significant implications for Taiwan’s national politics and cross-strait relations. The elections serve as a barometer of Taiwan public opinion and political preferences for 2016. Although the extent to which voters considered cross-strait relations in casting their votes is up for debate, it is clear that the KMT will have a more difficult time fashioning a politically palatable mainland policy in 2015.

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