

**CENTER FOR
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**PRESS BRIEFING:
THE PRESIDENT'S TRIP TO ASIA AND THE OLYMPICS**

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RUSS OATES: Good morning. Welcome to the Center for Strategic and International Studies or CSIS. And thank you for coming to what promises to be a very insightful hour on President Bush's trip to Asia. My name is Russ Oates and I'm the deputy director of external relations here at CSIS. I'm substituting today for Andrew Schwartz who is on vacation.

I'm going to quickly introduce our scholars before turning it over to them for their brief remarks. They will then fill the majority of the time with your questions. Here to my left we have Mike Green, a senior advisor and a former senior director for Asian affairs at the National Security Council. Next is Bob Einhorn, a senior advisor at CSIS and former assistant secretary of state for nonproliferation. Then we have Bonnie Glaser, a senior fellow at CSIS and former member of the Defense Policy Board's China team. Charles Freeman, the CSIS Freeman chair in China studies and former assistant U.S. trade representative for China affairs. I will now turn it over to Dr. Green and then we'll continue on down the line with our scholars' remarks.

MICHAEL GREEN: Thank you and I'm very pleased to try to give you some preview of President Bush's trip to Asia. The White House has not announced the official detailed itinerary, just that there will be stops in Seoul, Bangkok, and then, of course, Beijing, for the Olympics. So some of what I'll talk about in terms of a scene-setter will be anticipating what I think will happen in some of these countries and what's under discussion, some of the issues.

I left the NSC in December of 2005. If I were still in charge of Asia and this trip, I think my attitude would be, on the one hand, a real sense of satisfaction and anticipation because the Bush administration's Asia policy has, on the whole, been quite successful. You'll find that outside critics – Walter Russell Meade at Council on Foreign Relations, Joe Nye at Harvard – will beat the administration up a lot about Iraq or about the Middle East or some other issues. But, in general, in Asia there's been a bipartisanship and a broad appreciation for some of the accomplishments and the U.S. position in Asia.

The U.S. standing in Asia is actually quite good. The Chicago World Affairs Council recently did polls on soft power in Asia and the U.S. came out quite strong. These polls were released in mid-June and the U.S. came out quite strong. In different measures they used, stronger than China, stronger than any other country in Asia. Public opinion about the U.S. and China and Japan and Korea is actually higher today than it was before the Iraq war. And the administration has improved relations with China and strengthened the alliance with Japan at the same time, which is kind of gravity-defying. There's a bit of a zero-sum aspect to those two countries' relations with the U.S.

The Six-Party Talks we'll talk about. I'm sure Bob will go into it in detail. There's going to be a lot of debate about whether we got what we should have, but there

is now a framework, a mechanism that brings the major powers in the region into the process, puts their leverage on North Korea, and that's something that McCain or Obama will clearly want to continue. So I would not expect any major changes in Asia policy based on our election because I think there's generally a sense that we're – with some debatable areas like North Korea – on a pretty good run.

I even noticed that Richard Danzig and Joe Nye wrote a surrogate piece for Barack Obama in the Japanese paper, Asahi Shimbun, and said we're not going to do an “anything but Bush.” You know, in Asia, we're going to keep a lot of these general directions in policy. And it's a good story to tell and the president's going to want to tell that story and make that a major theme on this visit. And he has good relations with all of the leaders in the region except, of course, with Than Shwe and Kim Jong Il, and he'll want to show that.

On the other hand, if I were still there, I'd be a little bit nervous because there are some risky aspects to this itinerary and to this trip that reveal some of the underlying challenges we'll continue to face in Asia and some of the tough calls the next president will have. I'll go through both of those briefly in each stop. He goes to Korea, goes to Seoul. The Korean newspaper, JoongAng Ilbo – I don't know if anyone here is from JoongAng Ilbo, centrist paper – asks a question every year: What's your favorite country in the world? And by a pretty healthy margin, the U.S. is number one; we're the most popular country in Korea according to JoongAng Ilbo, something to keep in mind when you're covering the president's visit in Seoul and there are inevitably protests in Seoul.

There will be protests. There's a new plaza that's been opened up in front of the old city hall. When the weather's nice, people like to go out. They bring their kids, they bring candlelight, they bring boxed suppers, and lunches, and they protest. In 2003, there were very large protests against the U.S. because of anger over an accident in which a U.S. military vehicle killed two girls.

The protests now are much more complicated. They are protesting against Lee Myung-bak, the new president. And they're protesting because – largely not because of anti-American sentiment, although there are some of those elements in the crowd, but because they think he's moved too fast, too aggressively to reestablish some conservative policies. The progressives, the liberals, the left has been in control in Korea for 10 years. Lee Myung-bak has moved quickly to reestablish education policy that forces people to learn English. Ick! (Chuckles.) People are coming out and it's a class issue; it's an ideological issue – pushing open the beef market to secure a free-trade agreement with the U.S. These are unpopular with large parts of the population and there's a feeling he didn't consult or listen enough.

The return of a conservative government in South Korea is an incredibly welcome thing for the White House, as you can imagine. The joke was that the most common question asked about Asia over the last five years is, when is the election in Korea, because Roh Moo-hyun was on the left and was often critical of the U.S., although he did do some very important things like the free-trade agreement for the U.S.-Korea alliance.

But Lee Myung-bak coming to power has not brought a sudden windfall in U.S.-Korea relations because he has been very weak at home. Public opinion polls have him between 7 and 20 percent, roughly, in the polls. That's really low. He's a president – the opposition can't impeach him. He's not a prime minister; he won't be thrown out. He has time to recover, but, right now, he's in a very weak political position and that's going to color this visit and introduce some risk for the president.

One issue you will hear a lot about – and Korean reporters here will of course recognize it – is Tokto or Takeshima, these – I won't say uninhabited; two people live there, but these islands that both Japan and Korea claim – very emotional issue in Korea. The U.S. government, a small agency called the National Geographic Naming Board or Name Board recently switched the name or switched the description of these islands, called the Liancourt Islands by the French and that's what most foreign governments use to stay safe and not get in trouble with Japan and Korea.

But, recently, this board switched the designation and said – went from saying, these are controlled by Korea to these are disputed islands. And it's a huge, huge problem now in U.S.-Korea relations and likely to dominate the press, not something that's at the top of President Bush's strategic agenda. (Chuckles.) So those are the kind of things that are going to come out and complicate this visit because of President Lee's relative weakness in Seoul.

But for journalists, friends in the press, I would say, don't be too distracted by this. Remember the number in the JoongAng Ilbo poll; we are the most popular country in the Korea, the alliance is strong, and there's a healthy agenda to move forward, including the free-trade agreement, which hopefully will pass.

In Thailand, again, good story to tell: 175th anniversary of U.S.-Thai relations. Southeast Asia is under the Association of Southeast Asian Nations, ASEAN, putting into effect a new charter. And the charter mentions the importance of democracy and universal values and human rights. And so, in general, the trend in Southeast Asia and the trend in the region is towards not espousing Asian values that separate from the U.S., but increasingly talking about these: governance, democracy, rule of law. That's good.

The president will, I am told, in Thailand give a speech. And this will be the speech where he really lays out Asia strategy but with six months left, it's really a retrospective on what we've achieved. And I think it will be a good story in terms of our engagement, our presence, and the strength of our relations; 175 years of relations with Thailand.

He'll want to show how strong our position is in Southeast Asia, especially because in Southeast Asia there's been criticism of Secretary Rice for skipping the previous two Southeast Asian foreign ministers' meetings, the ARF. She went this last time just a few weeks ago, but the U.S. has been criticized. So he'll want to show we're engaged, we're strong, but it's complicated. Why? Burma.

Laura Bush will, I am told, go to the border. She'll go to refugee camps, she'll meet with dissidents, she'll meet with ethnic minority NGOs, the Karen and the Shan and others – she'll meet with the aid workers. President Bush will get a briefing on the cyclone. He will probably, I expect, meet with some Burmese exile leaders in Bangkok. That's all important. But it's tricky. The Olympics begin on August, 8, 2008, at eight –

BONNIE GLASER: Eight minutes after 8:00 p.m.

MR. GREEN: – after 8:00 p.m. But 8/8/08 – excuse me, 8/88, August 1988, is when the student movement began in Burma and when the junta cracked down violently. So this auspicious eight in Asia – and the eight is auspicious. But for Burmese and for democracy leaders, that is a date that reminds them that they have been suffering under this junta for two decades. So he's going to want to send very strong signals on this.

The Thai government has been fairly benign towards Than Shwe and the Burmese leadership. There are reports that, on the border, Thai authorities have been returning refugees to Burma and putting pressure on NGOs. So we're not on the same page with Thailand on this Burma question and the president's going to have to navigate that.

It would have been a very good for the president to have a summit with the ASEAN leaders to demonstrate our commitment, something he's wanted to do, he's talked about, to demonstrate our commitment to engaging the region more. Other – China, the EU, others – are doing this, signing the Treaty of Amity in cooperation and playing the ASEAN game. I don't think there will be a summit because we still haven't been able to figure out how to navigate this Burma issue. So Burma will be a tricky one in Thailand.

And, finally, Beijing, and I think Bonnie and Charles in particular will say more about that. But you saw yesterday the president met with four very well-known, very high-profile political dissidents. To me, that shows that the president is right to go to the Olympics' opening ceremony. He is right not to diss 1.3 billion Chinese by skipping it. But he also recognizes that there's an expectation that he will carry the flag on human rights and on these issues. And I think it also suggests that they met these very high-profile – and, in Beijing, very controversial – dissidents; it suggests that the president is not satisfied with what they're getting behind the scenes from China on things like Tibet and human rights and he's sending a pretty strong signal to Beijing. So, again, a good chance to show and to showcase the strength of U.S.-China relations.

Very tough to manage a rising power; the world is one for three. Britain managed our rise pretty well, but we collectively did a bad job on the rise of Japan and Germany in the last century, chance now to showcase how well we're doing with China, but also tricky, tricky waters to navigate, particularly with respect to human rights and the question of what, of course, happens during the Olympics. So I'll end there by way of scene-setter. I think we'll get into all of these issues and, in particular, North Korea and some of the diplomatic issues with Bob and Bonnie and Charles.

ROBERT EINHORN: Thank you, Mike. Thank you, Russ. I've been asked to talk about the North Korea nuclear issue. Clearly, this is an issue that's going to figure prominently on the agenda during the coming trip. A significant shift in the Bush administration policy on North Korea have provided, have yielded some tangible benefits, some real success, and especially the disablement of some key nuclear facilities at the nuclear complex in Yongbyon, North Korea.

But the North Koreans, once again, have fallen short of fully meeting their international commitments. And the president now finds himself under heavy criticism, especially from among his own political party, for giving away too much and getting too little in return. Now, during the trip, the Bush administration and the president will be trying to keep this Six-Party process on track, but the process is a very fragile one and time is running out on the Bush administration which, somewhat ironically, has come to regard the North Korea nuclear negotiations as one of its most significant diplomatic successes.

Let me remind you of some recent developments. On June 26th, the North Koreans handed over to the Chinese a declaration, a long overdue declaration, regarding their nuclear programs. The declaration addressed only North Korea's plutonium holdings and not its uranium-enrichment activities or its nuclear exports to other countries and particularly to Syria.

On the same day, President Bush made an announcement. He lifted the applicability to North Korea of the Trading with the Enemy Act sanctions. He also announced his intent to remove North Korea from the list of state-sponsors of terrorism in 45 days. But he emphasized in that announcement that during this 45-day period, the U.S. would be monitoring very carefully North Korean activities on North Korean behavior with respect to the development of a verification protocol. And he said that the U.S. would be following this carefully and would act accordingly with respect to the actual lifting of the – the actual de-listing of North Korea from the list of state sponsors of terrorism.

Now, during the week of July 7th, there was the first round of Six-Party Talks since way back last October. And during that round, the U.S. tabled a draft-verification protocol. And that protocol had been coordinated with other partners and was supported by Russia, China, South Korea, and Japan. Also during that week, there was agreement on a deadline of October for the disablement of the Yongbyon facilities and, specifically, that meant the completion of the process of discharging spent fuel from the five-megawatt reactor and disposing of the fresh fuel for that reactor that's on site at Yongbyon. Probably it will be disposed of by South Korea actually purchasing this fuel, which has real energy value.

And also there's agreement that the parties, the five other parties, would complete the compensation of North Korea for disablement. In other words, they would meet the

remainder of their obligation to provide 1 million tons of heavy fuel oil or its equivalent. So that was another target date established by the Six-Party Talks.

So there are two important target dates approaching. One is August 11, and that's the end of the 45-day pre-notification period on the de-listing of North Korea from the list of state sponsors of terrorism. Now, I mentioned that the U.S. had tabled this draft-verification protocol. So far at least, there's been no meaningful North Korean response to this protocol and if there isn't a meaningful and positive response by August 11, then the Bush administration and especially the president will have to make an important decision.

He'll have to decide either to go ahead and de-list North Korea anyway, even though it hasn't been cooperative on verification, or he can decide to hold off on de-listing until there's much greater cooperation by the North Koreans on verification. And if that in fact is the case and there is no de-listing, one can expect the North Koreans to create additional problems and perhaps further slip the deadline for October for completing the disablement process. And that has serious implications for the whole Six-Party process.

And so I think that the risk of this process going off the rails is quite significant. And if there is a significant delay in disablement, it will mean that the third and the crucial phase of this process, dismantlement of North Korea's capabilities, will be deferred even more and unlikely even to be discussed in the remainder of the Bush administration.

So in Beijing and in Seoul, you can count on the president focusing heavily on trying to keep the Six-Party process on track. And it will be especially important I think in Beijing. He will encourage the Chinese to push the North Koreans hard, to be cooperative on the verification front, and to conclude this verification protocol. And he'll also push the Chinese to encourage the North Koreans to complete the disablement process at Yongbyon by the October target date. And throughout, and in discussions, he'll have bilateral meetings with Prime Minister Fukuda and others in Beijing. I'm sure he'll encourage all of the parties to meet their obligations and to keep this process on track.

MS. GLASER: Good morning. I've been asked to focus on some of the security issues that are associated with the Olympics Games and in the Q&A, if there are questions about the broader U.S.-China relationship, I'd be happy to address those.

Two thousand and eight has certainly been anything but auspicious for China. It started with the ice storms and then moved on with the Wenchuan earthquake. The Chinese are certainly hoping that these games will go off without a hitch, or at least without a major incident. The Chinese have made extensive investment and preparations to ensure security during the games, but providing security is a collaborative multinational effort. There are many countries that are involved, including the United

States. The FBI, the Department of Energy, the U.S. Secret Service are certainly working closely with the Chinese providing information, equipment, and training.

There are a couple of special challenges. China is the first non-NATO, non-U.S. military ally to hold the Olympic Games since 1980 when they were held in Moscow. President Bush is going to be one of about approximately 80 foreign dignitaries who will be attending the games, most of whom are leaders. This is probably an unprecedented number of foreign leaders attending any Olympic Games and the first time that a U.S. president has attended Olympic Games outside of the United States.

Olympic security will be overseen in Beijing by a joint taskforce – consists of the Ministry of Public Security, the paramilitary, or People's Armed Police, and PLA forces, as well as senior personnel from law-enforcement agencies. This unit is in charge of an Olympic security command center and an intelligence center. There are special units such as SWAT teams. In fact, all of China's provinces now have SWAT teams, and there's the Snow Leopard Command unit, which has some special capabilities that it has been training for.

Generally speaking, Chinese strengths really lie in preempting threats rather than in crisis management or emergency response in the event that there are really any incidents. And I think that we can see that a lot of the efforts that the Chinese have put into it have been to prevent any untoward events. Visas are hard to come by. There has been a real clampdown on many of the groups, particularly Uyghurs in Xinjiang, but they certainly go beyond that.

Over the past couple of years, the Chinese, and particularly months, the Chinese have held a number of major exercises to bolster their capabilities, to deal with various threats. It's hard to know to what extent this has been successful, but just to mention a few, there was the week-long Great Wall number 5 drills in Beijing that included staging a car chase. Security forces intercepted a hijacked bus and freed hostages. There was a drill to evacuate a sporting venue following a chemical explosion. The PLA simulated the hijacking of a merchant oil tanker in Qingdao. There have been anti-terrorism exercises on the transport systems, including on the subway, just to mention a few.

There is a very high-tech surveillance network that has been installed in the capital. It uses hidden microphones including, I understand, in every single taxi on the street in Beijing to eavesdrop in conversations in a dozen different languages. And then they have about 300,000 surveillance cameras with face recognition software that are installed around the city.

As you probably know there have been some recent isolated incidents that have taken place in various provinces in China. In March there was an alleged incident which the Chinese have not provided much detailed information on a China Southern Airlines plane that was flying from Urumchi to Beijing that there was an alleged effort to sabotage and cause the plane to crash. There were two people who were arrested who were carrying Pakistani passports. There was an alleged terrorist attack whose foiled target

was the Shanghai soccer stadium. And then there were – there have been bus bombings most recently in Kunming and before that in Shanghai. The one that just took place in Kunming a Uyghur Islamic group has claimed responsibility, but the Chinese government has denied their involvement, insists that the bombings are not related to the Olympics and are not terrorist actions.

Just to close by commenting or picking up on something that Mike Green said, I think that President Bush has said that he is always candid with Hu Jintao. He is willing to be very straightforward in expressing concerns that he has about issues relating to human rights and, particularly, religious freedom, and has done so repeatedly I believe in virtually every meeting that he has had with Hu Jintao. The president has said that the accomplishes more, he believes, by raising some of these issues privately. I think meeting with these four dissidents on the eve of his departure certainly is a signal to Beijing of U.S. unhappiness with some of China's policies on human rights. But I think it's also an effort to get this issue perhaps out of the limelight so that when he is in Beijing perhaps he will be less vulnerable to criticism.

I'll stop there.

CHARLES FREEMAN: Good morning. I've been asked to talk about economic issues in the context of the president's trip to the Olympics and the Olympics in particular. The president's trip to Beijing is about sports; it's not about policy. He's there primarily to support the athletes and his activities in Beijing will be pretty limited. He will, as Mike and Bob and Bonnie have suggested do a few meetings with leaders, both Chinese and others, but his primary purpose is there to go to the opening ceremonies, support the athletes, get in and get out. I believe he'll go to church, and that's his only other activity as far as I know on the ground in Beijing.

So the question about what economic issues arise in the context of the president's trip, the short answer is probably not much, except for the fact that the Doha talks, the Doha WTO talks collapsed last night amidst great finger-pointing, including great finger-pointing between the United States and China over whose fault it was that these have collapsed and why. The United States, for the past six years now, has been urging China to get off the sideline and look after what the United States has suggested is China's interests in pursuing an agenda that looks at greater openness and particularly on the agriculture side, and reducing tariffs across the board. And China, for one reason or another, has been on the sidelines and continues – and has not been very active until this weekend where they did get up off the bench and to the United States' surprise, took the side of many developing countries and argued against what the United States was pushing for.

So that creates an element of friction between the U.S. and China, and to the extent that economics are an issue between the – during the president's trip. I'm certain that the Doha talks will come up between the U.S. and China. And I'm sure that folks at USTR are scrambling right now to put together talking points for the president as we speak.

The overall U.S.-China economic context is – there continues to be trade frictions between the United States and China directly related to or indirectly related to the passive trade deficit and current account deficit bilaterally that we have with China. That's not going anywhere and I don't expect any – and don't think anybody expects that to go anywhere for the next few months. That, I think, will be put on the sidelines.

But certainly we've got – we've got a few more bilateral meetings on the economy between now and the end of the administration. The Joint Commission on Commerce and Trade meets – will meet at the Nixon Library early in the fall, and then the strategic economic dialogue, led by Hank Paulson will meet in Beijing in December. So there's ongoing efforts to try to manage those tensions both politically and economically and strategically over the course of the next few months. The Olympics will not have much of an impact on those discussions.

What will be highlighted, certainly, economically by the Olympics, will be the cost of environmental degradation in China, and that's been a running theme for the last year. As anybody who's talked about the Olympics, you've got the Olympics and the environment have become kind of a tandem issue, and that will not go away. The air quality in Beijing has improved slightly as a result of closing down of steel mills and production in and around Beijing, the halving of the number of private cars that are on the streets at any one time. But Beijing, after all, sits in a canyon where the prevailing winds drag the gunk of three southern provinces into that canyon and dump it there.

So there's – unless Beijing is willing to shut down economic activity, affecting some 300 million people, it's unlikely to have clean air. So we will see the quality of air and the quality – and the focus on the environment will be a key function both during the Olympics and after. There have been Chinese economists who estimate that the cost of environmental degradation is one – is essentially one-sixth China's annual GDP, and that's a rolling cost that eventually needs to be paid and that may be high but it is certainly an issue.

And then you, following the Olympics, there's always the question of whether there's a positive economic effect or a negative economic effect. Certainly in other Asian Olympics and the effect on the economy of an Olympics has not been particularly positive. There has been a slump, there was a slump in Tokyo and there was a slump in Seoul. It sort of goes with the territory. And I think to the extent that there is this ebullience that's flowing through China now as a result of the Olympics, that may come to a bit of a crash.

Al that said, what do I expect President Bush to talk about and hear about while he's having meetings with the Chinese leaders? I think it is easy to dismiss the meetings with the four dissidents as a cynical attempt to inoculate himself against criticism for going to the Olympics, but I think it's an important demonstration of the president's commitment to human rights and I think it's an important signal to China. So I think

human rights will certainly be a part of whatever discussions will go on. I do believe Doha will be a subject for discussion.

But I also think the president will hear, somewhat extensively and probably more than he cares to, about Taiwan and the upcoming decision whether or not to notify on a sale of, a robust sale of arms to Taiwan after the Olympics. And I'm sure the president will hear relatively impassioned pleas from the Chinese not to do such – not to pursue that arms sale at this point because that would complicate discussions between the mainland and Taiwan as the two sides attempt to come to some agreement on something approaching a rapprochement. So I do believe he'll hear that. I don't know what his response will be, but I think that will be an active part of the discussions whether he likes it or not. I'll stop there and we can answer any questions and concepts.

MR. OATES: Thank you, all. We'll open it up for questions. When you're called upon, I would just ask that you please use a microphone and state your name and affiliation before asking. So the floor is open. We'll start here.

Q: Yeah, I have a question for Bob. (Off mike) – Hu Jintao and North Korea within that paradigm will – the Taiwan issues and leverage in those negotiations.

MR. GREEN: A number of people may want to weigh in on this. As a general rule, the operating strategy in my experience in the Bush administration – I think it was largely the same for Clinton – was, you don't cut that kind of deal with Beijing. If you say we're going to back off on human rights to get something on North Korea or we're going to not do arms sales to Taiwan and get something on the economy, you will rue the day because your Chinese partners will pocket that concession and you'll never be able to get it back on the agenda without enormous sparks flying.

So at least in my experience, through the end of 2005, the president always raised all of the issues – human rights, trade, Taiwan, Tibet, Darfur, and so forth – always, to make the point very clearly that these are all important; they have important constituencies in the U.S. and they're important measures of how the U.S.-China relationship is doing. He always raised human rights, religious freedom, and Tibet. I'm certain he will do it. He will probably worship at Gangwashi church, where he worshipped in 2005, for example, and I expect he'll say something to the press as he did in 2005 about the importance of religious freedom in China. The main Chinese press didn't carry it, but Phoenix TV and others did, and the leadership got the message and he engaged them on that issue.

All of that is going to happen; it's a given. What's new is this meeting with very high-profile dissidents, which does I think everything we've talked about: sends a signal to the communities here, to dissidents, it covers a little bit of political fill-in-the-blank, but it also sends a signal to the leadership. I don't think the administration is getting what it expects. Frequently in summits, dissidents are released beforehand. There are some moves by Beijing. That hasn't happened in the past two, three years. So I think it's also a signal to the leadership on dissatisfaction.

Q: This is to Bonnie. Greg (sp) from Radio Free Asia. You talk about some of the security measures, including some hidden microphones on the taxi cabs. I'm not sure whether this is public knowledge or it's kind of the – yeah, this is the first time I heard, if that was true. And then it sounds like Beijing, during the three weeks, like a police city. And I'm not sure – are there any decisions among the Bush administration how to respond to Senator Brownback's renewed attack about the U.S. chains, the hotel chains, are pushed by the Chinese security force to install surveillance software in their hotel, even those hotels that are American-owned. Have you heard anything that Bush will – that the Bush government will raise certain concerns to the China side that this is the American hotel; you cannot do something while the U.S. jurisdiction?

MS. GLASER: I think if you go on the State Department website, you'll probably find that there is a caution to travelers that go to China that there may be surveillance in their hotel rooms. I think that's sort of general practice, general knowledge. We may find it objectionable. I'm doubtful that there's anything that we can do about it. Their putting in cameras in various cities is happening in many places around the world; this is not just unique to Beijing, although certainly the numbers of cameras and microphones that are being put in that are specific for the Olympics are obviously much higher.

It has been publicly reported about the installation of various microphones and cameras, including the numbers. The particular piece of information about them being in taxi cabs just comes from a good source of mine, but, no, I've not seen that. But I think I – I don't know if this is something that the president is going to raise, but hotels that are in Beijing are under, to a certain extent, certain regulations and supervisions and potentially interference from the local government.

MR. OATES: Right here.

Q: I'm Steve Myers from The New York Times. I wanted to follow up on John's question a little bit on whether or not you think the president has struck the right balance in speaking about human rights and the other issues. When he does it here or he does it in speeches in other places, but then privately in China – and Charles Freeman mentioned it as – it's easy to be – to dismiss it as a cynical ploy. And indeed, the Chinese leaders dismiss it as a cynical ploy and therefore don't take it as seriously. I mean, you mentioned, they seem not to be satisfied with what they're getting from Taiwan. I just wonder if any or all you could answer whether you think that the balance is the right one that he's struck.

MR. GREEN: Well, it's tricky. I mean, I remember in 2005, there was a debate in the White House about how to handle dissidents. And there was one view that we should meet with religious dissidents in Beijing to send a signal to the leadership. And then there was a contrary view, which was we can't do that on China's turf. They'll preemptively – as Bonnie said, they're good at preemption – they'll preemptively find out; they'll round them up. We'll never get to meet with them and then they'll be in big

trouble. So as sort of a practical matter, it makes sense to meet with dissidents and do it outside of China to send a very strong signal to the Chinese leadership because you can't do it in China.

It also makes sense because when he arrives there, the Chinese leadership will know how important this is. You know, in 2005, he worshipped at Gangwashi. He made the statement about religious freedom. And in his subsequent meetings with Chinese leaders, they raised it and they had to talk about it because they knew he was going to. He had put them on notice.

So I think that it's the right balance; it's the right sequence because that's the only way you can do it. The president can't meet with dissidents in China. But I also think he has, as you've probably noticed, done things like drop in on a meeting with Chinese foreign minister, Yang Jiechi. It's unusual for a president to drop in on a foreign minister's meeting with the national security advisor. So he's finding other ways to show face to the Chinese, the most important of which is his decision to go to the Olympics, which is extremely well-received among the Chinese people.

MR. FREEMAN: The fact that he is going to the Olympics is a really big deal. It's not the usual practice for leaders of any country to go to the Olympics. So the fact that this has become an issue at all is – as the Chinese say, you know, all these people are telling us they're not coming to the Olympics or they're coming to the Olympics; we didn't invite them in the first place. But this is an enormous show of face, gesture of face from the president to actually go to the Olympics, go to the opening ceremony. This is China's international coming-out party in many respects, the Olympics. So it's an enormous thing; it's a big deal.

The fact that the president, in this context, is meeting with dissidents just before he goes to the Olympics is going to be seen definitely by the Chinese as meaningful. So the answer to your question, do the Chinese recognize the importance? Do the Chinese dismiss it as cynical? No, the Chinese will take it very seriously. They don't like it. It's embarrassing. But it has to be seen as something other than purely a political gesture to inoculate himself.

MS. GLASER: If I could just add quickly, your question suggests that the lack of a more positive response from the Chinese is a function of the president not striking the right balance. I would say, the balance has probably been about right. The reason why the Chinese have been less responsive is a function, I think, of how they see themselves, the leverage that they see themselves as having, their economic rise, the growth in their political influence. And they believe that they can withstand some of the pressure and the criticisms from the outside world. And I think that's a trend that we have to cope with.

I don't think that necessarily means that the strategy isn't right or that the balance isn't right. I think that the president has, as I said earlier, raised these issues very forcefully privately with Hu Jintao. And I think that he believes that he has made some headway in terms of Hu Jintao's understanding of the need for greater transparency and

the need for allowing a little bit more pluralization within the Chinese system. But you know, the Chinese are going to do this at their own pace. And if they perceive any threats at all to domestic stability, and particularly to the legitimacy of the Communist Party, then whatever strategy balance the U.S. uses, it's just not going to make any headway.

Q: Sorry, Mark Smith, with AP. I want to follow up on the human rights question. What about the rest of the world, the political significance of the president – first time for a U.S. president outside of America going to an Olympics. Is the rest of the world going to see this as the president giving the Chinese a pass on human rights?

MR. GREEN: It's interesting. For example, the Dalai Lama has said it's the right thing to do and has said that this, the Olympics, are the coming-out party basically for 1.3 billion Chinese. So and Tibet will definitely be an issue that the president engages Hu Jintao on.

Others involved in human rights have said it's the right thing to do but he better carry the right message. Some have been critical. On the whole, I think that he's – I think that the international view is probably that he struck the right balance.

I would also add that this was an issue where we did not work well with the Europeans a few years ago. If anything, Schroeder and Chirac sort of used American outspokenness on human rights and Taiwan and other issues to ingratiate themselves with the Chinese as part of a kind of multi-polar vision of the world. Sarkozy, Merkel, Berlusconi – very different views of China and of the trans-Atlantic relationship as it relates to China.

In part, it's because the strong euro means they have an enormous trade problem with China and a lot of dissatisfied shoemakers in Portugal and in Italy and others who are being affected by China. But in part, it's because the Europeans have started to realize that China's poor record on human rights and governance is affecting their interests in places like Africa, sub-Saharan Africa and elsewhere. And on the whole, over the past two years, this has meant there's been a convergence in many ways in how the U.S. and Europe and also Japan have viewed these issues. And that helps because it means everyone is speaking a little softly but carrying a big stick is more effective than one side speaking loudly and another not. I mean, the Chinese, I think, see this. And that will help the president. And I think his position resonates with governments elsewhere in the world.

Q: Mike Emmanuel from FOX. I remember the Greeks spent a great fortune on security, fearing what terrorism could do to the Olympics and their image around the world. It sounds like the Chinese have spent a greater fortune on security. But I'm just wondering, with so many world leaders going to the Olympics, how concerned you are about the threat of terrorism, since we do live in a post-9/11 world?

MS. GLASER: China is less vulnerable, I think, to international terrorist attacks than many other countries. And their own sort of homegrown groups are primarily those that are associated with Tibet or Xinjiang, and hard sometimes to separate out which ones are just really interested in their independence. Although obviously, use of any kind of violent means is something that should not be endorsed. But I think that China has some things going for it that other countries like Greece did not. You know, China has, I think, probably more secure borders, for example. The Chinese are and have been, especially since earlier this year, very much in control of who comes in their country.

So you know, I think there could be criminal elements as we have seen, like these bus bombings. Less likely I think to happen in Beijing than potentially in other provinces. But I think that the real chances of a sort of major international terrorism incident are probably quite small, though of course one can't rule that out.

MR. FREEMAN: Let me just add, the Chinese are obsessive about taking care of leaders. So those 80 individual leaders will probably have very little to fear. I fear more for those folks who are trying to get around Beijing because of the security that is surrounding those folks as they move around. But I think Bonnie is right. I mean, the targets, to the extent that there are folks looking at targets, are probably not Beijing. There are plenty of soft targets elsewhere if you really want to cause – if you are a terrorist elements and you really want to cause an incident, you don't need to do it in Beijing to get the attention of the world.

Q: I'm Jan Song from Voice of America, Korean Service. My question is for Mr. Einhorn. The top South Korean negotiator for the Six-Party Talks said this week that North Korea wants more than three phases in the denuclearization process, like seven or eight phases. And it looks like North Korea wants to use the so-called "salami tactic" of extracting as many incentives as it can. What are your thoughts on this and how do you see this affecting the future of the Six-Party Talks?

MR. EINHORN: I think certainly the U.S., the Bush administration, or any successor administration isn't going to want to draw this process out that way and divide it into many, many phases because that gives the North Koreans an opportunity in each phase to make additional demands and to refuse to cooperate until those demands are met. My guess is that all of America's partners in the process – Russia, China, South Korea, and Japan – share that view.

Q: (Inaudible) – I have a question about Olympics. Several years ago when China applied for this sponsorship, they promised – (inaudible) – commitment to provide good services, facilities, and – (inaudible). So now, do you think China comprehensively fulfill all these commitments?

MS. GLASER: I would certainly say the Chinese have done their utmost to try and achieve those objectives. It remains to be seen how we measure the success of each one of them. As Charles has already said, I think that they've fallen short in the area of cleaning up the air pollution. But that is not for a lack of effort at trying. I think that the

Chinese have really made tremendous efforts to try to clean up the air. And I think that we will probably see even more stringent measures that are imposed in the coming weeks. So I certainly think they've done their utmost.

MR. FREEMAN: I think if you look at everything that the Chinese have done to try to fulfill their commitments, they are – on transparency, on cleanliness, on security, there is an element of transparency with Chinese characteristics. They've done, I think, as much as they were ever going to do or ever were able to really do. And anybody that thought that there would be a whole sea change in approach to human rights issues when they said they were going to sign the declaration and do all that probably was more naïve than they should have been.

MR. GREEN: One thing is for sure: There won't be any new Olympic world records in the marathon. The other thing is the Chinese have set up these three protest parks, something they've done in the past in the games. And that could actually work quite well for them. If they allow protests, the media is allowed to cover it, it worked in the past for them. But there's still some big questions. What happens if Taiwanese nationals unfurl the ROC flag at a baseball game with Japan? What happens if other groups like Gangwashi that just drive the Chinese security forces crazy get out in the press and the security forces overreact?

And then Chinese fans have sometimes become quite violent. In the World Cup soccer match against Japan a few years ago, they attacked the Japanese consul general's car. I think the Chinese government has taken a lot of measures to prevent those things from happening, but they've happened before. So that's another one that has to be keeping everybody a little bit nervous, including President Bush who would be on the spot to react to some of this to the press if it happens while he's in China.

MR. OATES: We have time for maybe a couple more questions.

Q: Sorry, one more. Back to South Korea visit, Americans have a hard time understanding why the emotional reaction on the beef issue. What is the source of that? Why riot over beef?

MR. GREEN: It's not rioting. That's the good news. Nobody is tarring and feathering the Bulgogi chefs. But it's a little bit complicated but I'll try to do it in 30 seconds. Korea is an amazing success story. This is a country that in the ashes after the Korean War, people thought wouldn't recover, that still was poorer than North Korea in the '60s and is now one of the most powerful economies and democracies in the world.

The democratization process is fairly recent, about 20 years, depending on how you count; less if you look at it in terms of changes of government happening in free and full elections. And a lot of the students and others on the left during the period of transition expressed themselves by taking to the streets. And so, there is a tradition there.

And the second factor is that the Korean media, with all respect to friends from the Korean media, has too much competition. There are too many newspapers. Most Koreans get their news from the Internet now, so there is even more competition. And it's something of a hyperactive, really spun-up press environment. And there have been a lot of really alarmist and hysterical stories about some of these issues.

So the good news is, democracy is a real success story in Korea. You know, maybe the slightly less good news is the press is really very active. That's not all bad. And Korea is the most Internet-penetrated society. People use text messaging and stuff more in Korea than any other economy in the world. So a kind of viral or virtual protest can take form very quickly.

But when you watch closely at these protests that are happening in the park, they are consumers. They're moms. They're kids. They're worried about this issue. They're expressing concern that Lee Myung-bak was moving too quickly, was not democratic enough. It shows the value they place on their democracy and pluralism.

At the margins, you have the old traditional left protesting the U.S., since it's about us. But if you watch the protests closely, you'll see it's not an anti-American protest. It's playing out between consumers and others who are just spontaneously coming out because they're concerned, and an old left/right split within Korean society. And in some ways, the U.S. is the story that would be third or fourth.

That was not the case four years ago when there were huge protests against the alliance because of this accident between U.S. heavy equipment and two girls. So it's – and it, of course, reflects Lee Myung-bak's weakness. On the whole, I think it's good news story because it shows the vibrancy of Korean democracy. And hopefully, the press in the U.S. will have enough space to add a couple of these complexities and not just paint it as a sort-of simple anti-Bush or anti-American protest.

Q: So it's less about beef than it is about politics and democracy?

MR. GREEN: I think when you talk to people, they'll say that beef is the trigger if you can mix metaphors. But it comes with some other decisions. I was in Seoul a month ago. It comes with some other decisions Lee Myung-bak made that touch on old class and ideological divisions, changing the education policy, forcing people to study English more. That's an elites language; that's a class issue. It's not quite like the Department of Education saying everyone has to learn Latin in the U.S. But it has a little of that flavor.

And there are a few other issues where they feel that the conservatives are back after 10 years and some people on the left and even in the center think they see some of the old sort of authoritarian instincts. I'm not sure it's fair to Lee Myung-bak. But that's the perception that is driving a lot of it.

MR. FREEMAN: Public health and food security issues are always emotional and particularly when you get into agriculture. It adds that layer of complexity. We need to be honest here. I mean, the U.S. beef industry has not put in the effort to educate the Korean public about the safety of U.S. beef. So there is a – I mean, it is at least in part about beef. And so, whether or not the Korean press has been irresponsible or the fears about the beef have been overblown – and I think they clearly have – the U.S. beef industry has not done much to sort of counter those by having any kind of serious effort to try to educate the Korean public.

MR. GREEN: They have agreed – that's a good point. And I think the cattleman's association and others have realized this. And there have been some agreements that have gotten a little bit of press between the U.S. and Korea about allowing inspections, strengthening the certification process, exempting certain kinds of beef byproducts. I won't go into which parts of the cow they are – things that we all eat and don't realize it, especially if you eat hot dogs. So there have been some – I mean, the U.S. side and the cattleman's association, they have made efforts because they realize, I think, what Charles said.

MR. OATES: Okay, I think we have time for one last question.

Q: Just to sort of – (inaudible) – do you think that President Bush will bring up the U.S.-Korea free-trade agreement? And does he have any grounds to encourage them to ratify it when it doesn't seem to be moving very well?

MR. GREEN: He will definitely – they will definitely talk about it. They both want it. Neither can be seen as backing away. It does have a chance still. So yeah, they'll raise it. But will they get something significant accomplished that would be newsworthy on this one? (Inaudible) – I'm not sure about that.

MR. FREEMAN: No. I mean, he'll bring it up and they'll push that button. They have to; both do. But it's not moving here. And with deference, it's not going to move there.

Q: Do you think after this trip there will be renewed effort on the president's part to push it through the U.S. Congress?

MR. FREEMAN: I certainly hope so. Do I expect Congress to react positively under any circumstances? No. I think we're – trade is a dead issue. And Doha may have put that to rest.

MR. OATES: All right, thank you all for coming. I'd like to thank our scholars for taking the time out of our day to speak with you. As always, we'll have a transcript that we'll send to you. And we'll post it on our website as well. So thank you very much.

(END)