



**Regional Overview:**  
**(Waiting for) The Dawn of a New Era**

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“It is always darkest just before the dawn of a new day” goes the old saying. Well, it looks pretty dark when it comes to U.S.-DPRK relations and the prospects for the Six-Party Talks, with no significant progress reported this quarter in the quest for a “complete and correct declaration” of North Korea’s nuclear programs and activities. Hope springs eternal, however, as both sides continued to work toward a much needed “third breakthrough” in the next quarter.

Meanwhile, with a change of government in Seoul and an impending change in Taipei, an era of improved relations with Washington may be dawning. It’s a new day in Thailand as well, or perhaps more accurately, a return to the (good?) old days when Thaksin ruled. Election results in Malaysia indicate that politics as usual will no longer be the norm in Kuala Lumpur, while in Russia, a change in leadership seems to represent no change at all. No change is also the operative word when it comes to Burma. Unfortunately, it just appears to be getting darker when it comes to Tibet as well. Finally, with the U.S. economy sneezing, how confident are we that Asia will not soon catch cold?

**Six-Party Talks: (still) waiting for Dec. 31**

The last quarter of 2007 ended with Six-Party Talks participants waiting for the mutually acceptable “complete and correct declaration” of all North Korean nuclear activities due by Dec. 31. This quarter ended the same way. What little movement that did take place in this first quarter of 2008 seemed mostly in the wrong direction.

In response to an apparent Chinese-suggested compromise, Washington announced that neither separate declarations nor a partial declaration setting aside some issues (read: uranium enrichment and alleged support to Syria) was “politically sustainable.” (A “secret” declaration may be possible, however – more on this later.) As chief U.S. negotiator Assistant Secretary of State for East Asia Christopher Hill warned: “We cannot pretend that activities don’t exist when we know that the activities have existed.” At quarter’s end, Hill was also noting that “we can’t afford any further delays here,” adding that “we do need to make some progress here very soon.”

On a more positive note, Hill did note during a speech at Amherst on Jan. 30 that the U.S., after examining imported aluminum rods that were part of the evidence of a

suspected uranium enrichment program, was “on the way toward ruling out that they have developed a uranium enrichment capacity such that they have developed fissile material from such a program.” Of course, no one had ever accused Pyongyang of actually producing fissile material from its alleged clandestine uranium enrichment program. This would have required building several thousand centrifuges – the two dozen or so reportedly purchased from Pakistan were for back-engineering purposes. Nor does Hill’s statement rule out the existence of such a program or intention. It does open the door, however, for a DPRK acknowledgment of the centrifuge and aluminum rod purchases without publicly tying them to a nuclear weapons-related uranium enrichment program *per se*.

Responding to repeated calls by Washington (among others) for a complete and correct declaration, Pyongyang steadfastly asserted that it had already provided everything it planned to provide in November 2007, stating unequivocally at quarter’s end that “the DPRK has never enriched uranium nor rendered nuclear cooperation to any other country. It has never dreamed of such things. Such things will not happen in the future either.” Again, claiming to have “never enriched uranium” is different from denying that a program existed to eventually accomplish this task or that enrichment equipment was acquired for other “peaceful purposes” (i.e., reactor fuel fabrication) rather than to build weapons. As has been previously suggested in these pages, Pyongyang still has the option of admitting that it purchased centrifuges and other uranium enrichment-related equipment without specifically acknowledging that this was done in violation of previous agreements. It remains to be seen if the Bush administration is prepared to settle for this type of compromise (but don’t be surprised if Pyongyang offers to sell the now useless centrifuges and aluminum rods to the U.S. at a profit).

The second part of the above-cited March 28 *KCNA* statement, claiming never to have “rendered nuclear cooperation to any other country” is more problematic, given U.S. insistence that such a link exists. Details regarding the “smoking gun” have not been made public but unconfirmed reports indicate that Secretary Hill showed incoming ROK officials a videotape of the Israeli attack on the suspect Syrian nuclear facility that had a lot of very excited (North) Koreans exiting the premises. South Korean press reports also claim that Hill gave Pyongyang a list of DPRK officials, including nuclear engineers, who were involved in the supply of nuclear technology to Syria. Meanwhile, Japanese officials claim that Israeli Prime Minister Ehud Olmert briefed Prime Minister Fukuda Yasuo about the attack during summit talks in Tokyo on Feb. 27, confirming that it was a nuclear-related facility under construction with technical assistance from the DPRK.

Despite this reported evidence, Pyongyang continues to accuse Washington of clinging to its “incorrect” claims, further warning: “If the United States continues delaying the resolution of the nuclear problem by demanding what does not exist, this will have a serious impact on the desired disablement of the nuclear facilities.” This seemed to leave little room for the type of “confession” that Hill (and the U.S. Congress) are expecting.

While uranium enrichment and Syrian proliferation are important issues politically, they are not the only or even the most important unresolved issue strategically. Another

apparent remaining major point of contention deals with the amount of plutonium currently in North Korean hands. Secretary Hill has previously used the figure of “up to 50 kilograms” when speaking of what must be accounted for. This appears to be a worst-case figure, adding what may have been extracted prior to the 1994 Agreed Framework with what could have possibly been reprocessed since 2003 (minus what was consumed in the 2006 nuclear test). Unconfirmed reporting indicates that Pyongyang is only prepared to acknowledge or account for 30 kg, which leaves about two-plus bombs worth of plutonium unaccounted for. Somehow this gap needs to be closed.

Given all of the above, it would not be hard for pessimists – or realists – to pronounce the process doomed or already dead. Nonetheless, cautious optimism prevailed with Secretary Hill also noting at quarter’s end that “differences are not getting bigger; they are getting smaller.” Hill also indicated that another bilateral meeting with his counterpart, North Korean Vice Foreign Minister Kim Kye-gwan, was to take place in Southeast Asia early in the next quarter, aimed at seeking yet another “breakthrough.” [Hill and Kim met in Singapore on April 8 and reportedly agreed on the wording of a declaration that was not going to be released to the public but which would “probably persuade the U.S. Congress.” Hopefully we will be reporting the dawn of a new day in the six-party saga next quarter.]

In the meantime, as we await details of the next deal, it is useful to remind ourselves of what was actually agreed upon, first during the landmark September 2005 Joint Statement and later during the two “breakthrough” declarations that took place in February and October of 2007.

*2005 Joint Statement.* The key phrases related to the denuclearization process in the “Joint Statement of the Fourth Round of Six-Party Talks, Beijing, Sept. 19, 2005” are:

- The six parties unanimously reaffirmed that the goal of the Six-Party Talks is the verifiable denuclearization of the Korean Peninsula in a peaceful manner.
- The Democratic People's Republic of Korea (North Korea) committed to abandoning all nuclear weapons and existing nuclear programs and returning at an early date to the treaty on the nonproliferation of nuclear weapons (NPT) and to IAEA (International Atomic Energy Agency) safeguards.
- The DPRK stated that it has the right to peaceful uses of nuclear energy. The other parties expressed their respect and agreed to discuss at an appropriate time the subject of the provision of light-water reactor to the DPRK.
- The six parties agreed to take coordinated steps to implement the aforementioned consensus in a phased manner in line with the principle of “commitment for commitment, action for action.”

The U.S. and ROK also agreed to keep the southern half of the Peninsula nuclear weapons free and it was agreed that “the directly related parties will negotiate a

permanent peace regime on the Korean Peninsula at an appropriate separate forum.” What has not been agreed upon is the “appropriate time” for discussion of light water reactors (LWRs). Washington has made it clear that this can only come after complete denuclearization while Pyongyang continues to insist that LWRs must be provided in advance of or simultaneously with the final act of denuclearization.

For a variety of reasons, including a dispute over frozen North Korean funds in a Macau bank, the process then remained stalled from September 2005 until February 2007, when the first “breakthrough” took place in the form of the “Joint Statement from the Third Session of the Fifth Round of the Six-Party Talks, Beijing, Feb. 13, 2007,” where the six parties “reaffirmed their common goal and will to achieve early denuclearization of the Korean Peninsula in a peaceful manner and reiterated that they would earnestly fulfill their commitments in the [September 2005] Joint Statement.”

*Feb 13, 2007 Agreement.* The main denuclearization actions scheduled for the initial phase (first 60 days) were:

- The DPRK will shut down and seal for the purpose of eventual abandonment the Yongbyon nuclear facility, including the reprocessing facility and invite back IAEA personnel to conduct all necessary monitoring and verifications as agreed between IAEA and the DPRK.

- The DPRK will discuss with other parties a list of all its nuclear programs as described in the Joint Statement, including plutonium extracted from used fuel rods that would be abandoned pursuant to the Joint Statement.

In return, the U.S. would “begin the process of removing the designation of the DPRK as a state-sponsor of terrorism and advance the process of terminating the application of the Trading with the Enemy Act with respect to the DPRK.” The DPRK would also receive an “initial shipment of emergency energy assistance equivalent to 50,000 tons of heavy fuel oil (HFO)” as the first installment on a total assistance package representing the equivalent of 1 million tons of HFO. A number of working groups were also formed, including one on “Denuclearization of the Korean Peninsula” to be chaired by the PRC.

No time frame was established for implementation of the second phase, which was to include “provision by the DPRK of a complete declaration of all nuclear programs and disablement of all existing nuclear facilities, including graphite-moderated reactors and reprocessing plant,” although Secretary Hill hoped that this could be accomplished by the end of 2007.

There was no reference to frozen bank accounts in the February agreement but its implementation was delayed due to a delay in the release of these funds – apparently promised at a side meeting between Hill and Kim in Berlin in January 2007 – and the 60-day phase ended up taking about four months to complete.

The next Six-Party Talks session, in July 2007, failed to achieve much forward movement and it took another bilateral Hill-Kim session, in Geneva in early September, to set the stage for the year's second "breakthrough" agreement, the "Second-Phase Actions for the Implementation of the Joint Statement, Beijing, 3 October 2007."

*Oct. 3, 2007 Agreement.* In this agreement, participants "confirmed the implementation of the initial actions provided for in the February 13 agreement . . . and reached agreement on second-phase actions for the implementation of the Joint Statement of 19 September 2005, the goal of which is the verifiable denuclearization of the Korean Peninsula in a peaceful manner."

Specifically, the DPRK "agreed to disable all existing nuclear facilities subject to abandonment under the September 2005 Joint Statement and the February 13 agreement" with disablement of the three main facilities at Yongbyon – the 5 megawatt Experimental Reactor, the Reprocessing Plant, and the Nuclear Fuel Rod Fabrication Facility – to be completed by 31 December 2007. Pyongyang also "agreed to provide a complete and correct declaration of all its nuclear programs in accordance with the February 13 agreement by 31 December 2007 " and "reaffirmed its commitment not to transfer nuclear materials, technology, or know-how." In return, Pyongyang would receive the already promised "economic, energy, and humanitarian assistance up to the equivalent of one million tons of HFO."

Regarding the removal of North Korea from the state sponsors of terrorism list and Trading with the Enemy Act restrictions, "the United States will fulfill its commitments to the DPRK in parallel with the DPRK's actions based on consensus reached at the meetings of the Working Group on Normalization of DPRK-U.S. Relations." While a date was not specified, Pyongyang has made it clear that it expected (was promised?) that this would take place simultaneous with its nuclear declaration prior to Dec. 31, 2007. The North says the declaration it apparently provided privately to Secretary Hill in November was sufficient to initiate the promised U.S. actions; Secretary Hill has stated unequivocally that it did not pass the "complete and correct" credibility test. Hence the latest stalemate, which brings us to the April 2008 Hill-Kim meeting in Singapore.

*What's Next?* Note that the above agreements specify that the million tons equivalent of aid is in compensation for the disablement of all nuclear-related facilities and material, including those yet to be identified but which are expected to be included in the anticipated, but perhaps secret, declaration. This would include the facility where their bomb or bombs are actually produced (specialists say this did not take place at Yongbyon) plus the nuclear test site, etc. It should also include "disablement" of Pyongyang's plutonium assets, presumably including any plutonium residing in actual weapons, although it is unclear if the authors' interpretation is shared by Pyongyang (or even by Washington).

Note that neither the Feb. 13 nor Oct. 3 agreement compels Pyongyang to list its past proliferation activities (since the DPRK claimed that it had never proliferated); it merely "reaffirmed its commitment not to transfer nuclear materials, technology, or know-how."

Nonetheless, as Secretary Hill has argued, “transparency” regarding the DPRK’s proliferation-related activities is essential, especially with rumors surfacing that such activities may not be limited to Syria.

If and when phase two is actually completed and all nuclear-related facilities have been “disabled,” then the phase three “dismantlement” or “abandonment” phase will begin. During Congressional testimony in February, Secretary Hill told Senator Lugar “we don’t know what kind of money will be needed for phase three,” but it will no doubt be considerable, even though the non-monetary rewards offered to Pyongyang – eventual full diplomatic recognition, access to international financial institutions, and a full peace regime to replace the current Armistice – are considerable, if it completely, verifiably, and irreversibly gives up its nuclear weapons programs and ambitions.

### **Democracy in action**

While little change was occurring on the six-party front, considerable change was taking place throughout Asia when it came to the promotion of democracy or lack thereof. In *Korea*, conservative Grand National Party President Lee Myung-bak, elected in a December 2007 landslide, was inaugurated on Feb. 25, launching a new government that promises a pragmatic, economy-centered approach to politics. Lee pledged during the campaign to restore 7 percent growth, to reach per capital GDP of \$40,000, and claim the no. 7 spot in the rankings of developed economies. He also said that he will demand more reciprocity in North-South relations and will insist on Pyongyang’s denuclearization before the South pursues large-scale economic aid promised by his predecessor Roh Moo-hyun during his summit with Kim Jong-il in October 2007. Lee has also pledged to restore and reinvigorate the U.S.-ROK alliance. His impending visit to Washington and subsequent summit session with President Bush at Camp David signals an appreciation by the Bush administration for Lee’s more pro-U.S. stance.

As in Korea, the conservative opposition party also gained a sweeping victory in *Taiwan*, where the telegenic Ma Ying-jeou, a former mayor of Taipei from the opposition Kuomintang (KMT) party, bested Frank Hsieh of the Democratic Progressive Party (DPP), by a 58 to 42 percent margin in March elections. That rout followed the January Legislative Yuan vote in which the KMT and two small affiliates took three-quarters of the seats. By election time, the prospect of KMT domination of both the executive and legislative branches appeared to be a critical factor as voters entered the ballot box.

Even that wasn’t enough to stem the opposition tide, however. Hsieh’s warnings that Ma’s pledge to improve cross-Strait relations threatened eventual unification with the mainland and the crackdown in Tibet was a harbinger of Taiwan’s future were dismissed as scaremongering. Instead, Taiwanese opted for renewed emphasis on economic performance and downplaying of identity politics. After winning the vote, Ma said his first priority “is normalization of (economic) relations, and then a peace agreement.”

During the campaign, Ma used a “Three No’s” platform: no reunification, no independence (by Taiwan) and no use of force (by China). He has indicated a readiness to

explore discussions with Beijing on a formula for reconciliation but he is not going to sell out Taiwan. Indeed, a key element of this election is a better definition of the center in Taiwan's politics: while Taiwanese are no longer enthralled by former President Chen Shui-bian's identity politics, there is clearly a demand for respect for Taiwan's political and economic accomplishments.

The question is whether Beijing is sharp enough to recognize this. China rejoiced in Hsieh's defeat – casting it as a repudiation of Chen's policies – and the rejection of the two referenda on membership in the United Nations. But as David Brown notes in his chapter on China-Taiwan relations, “the two referenda together got affirmative votes equal to about 80 percent of the voters who participated in the election. It would be a serious mistake for Beijing or others not to recognize the near universal desire in Taiwan for greater participation in international organizations or to underestimate the political pressure Ma will be under to show progress on this front.”

*Thailand* also got a new government when the Supreme Court in January dismissed several allegations of vote fraud. That permitted the People Power Party (PPP) of Samak Sundaravej to cobble together a coalition government that claimed a majority in the 480-seat Parliament, much to the dismay of the former military rulers. Sundaravej, a three-time former deputy prime minister, took the top slot and promised to emulate many of the policies of former Prime Minister Thaksin Shinawatra, overthrown by a coup in 2006 – big infrastructure projects, support for rural areas, and a continuation of the war against drugs that resulted in thousands of extrajudicial executions.

Samak is a vocal fan of – some say surrogate for -- the former PM who returned shortly after his wife after months in exile in London. They both were arrested – they have been indicted on various charges – and released. The disposition of their cases is a real challenge for the government – and a test of its commitment to the rule of law. It will also test the patience of the former military rulers who had tried their best to keep the PPP from winning. Will they remain in the barracks or attempt another coup – this time presumably with less public support or international acquiescence – if Thaksin is acquitted or seems to be running the new government from behind the scenes? Probably (hopefully) not, but the situation will bear close watching.

In *Malaysia*, Prime Minister Abdullah Ahmad Badawi and his National Front (Barisan Nasional) lost the two-thirds majority in Parliament that they have held for nearly four decades in March elections. After winning a landslide election in 2004 that wiped out any doubts about his fitness to succeed former Prime Minister Mahathir Mohamad, Abdullah's administration has been hit by scandal and seen as indifferent to the growing burdens on ordinary Malaysians suffering rising costs of living. Yet confident that he could repeat his 2004 success, the prime minister called an early election – in part, it is said, to keep popular opposition leader Anwar Ibrahim off the ballot.

Abdullah miscalculated. The Barisan Nasional (BN) won just half the popular vote and lost its two-thirds parliamentary majority for only the second time since independence, falling from 90 percent to 62 percent of seats in the legislature. The opposition alliance's

representation jumped to 82 seats from 19 seats in the outgoing 222-member Parliament. Just as alarming, the opposition now holds five of 13 state houses, a gain of four.

The government is claiming a mandate, but it's wounded. Four Cabinet ministers lost seats in the vote. In the aftermath of the ballot, key members of the BN rallied behind Abdullah, but young Turks in the United Malays National Organization (UMNO), the largest Malay political party in the BN coalition, are calling for his head. That fight will intensify.

*Burma's* leadership announced in February that it would hold a referendum in May on the country's new constitution. That document has not been officially released, but a copy leaked and its contents have infuriated opponents of the ruling State Peace and Development Council. The draft, composed by a group handpicked by the junta, enshrines the military's dominant role in society, bars National League for Democracy (NLD) leader and Nobel Peace Prize Laureate Aung San Suu Kyi from office, and protects members of the ruling junta from prosecution for any actions.

After a long silence, the NLD was reported in early April to have told its supporters to participate "without fail" in the election and to vote against the referendum. Other opposition groups have courageously backed that stand, despite a junta law that makes speech or pamphlets against the referendum an offense punishable by three years imprisonment.

March 2 *Russia* held its own democratic pageant, although the process was more style than substance. The results of that country's presidential elections were never in doubt. First Deputy Prime Minister Dmitry Medvedev was President Vladimir Putin's handpicked successor, and the nominee returned the favor – and ensured his election – by picking Putin as his prime minister, if elected.

Medvedev benefited from fawning coverage in the mass media and the disqualification of just about all serious opposition in the run-up to the vote. By election time, the only fear was that too many people would refuse to participate in a done deal: when the vote was in, Medvedev won more than 70 percent of ballots cast. (Estimates of turnout ranged from 64 to 69 percent of eligible voters; a record for a presidential election and more than voted in parliamentary elections in December). Now, the big question is who is going to be in charge. It is hard to imagine Putin in a backup position.

### **Putting the puzzle together**

Various chapters in this issue of *Comparative Connections* explore the implications of these political changes for U.S. policy toward Asia. Here, we want to highlight the fact that radical shifts in policy are unlikely, no matter how promising or depressing the particular election outcome – or how great the hype. In particular, the results in Taiwan and South Korea have many anticipating a new phase in relations between those governments and that in Washington. No doubt, President Ma and President Lee have different views than their predecessors of the optimal relationship with the U.S. and

China, and policy is likely to change. But any Taiwan government is going to be restricted by a public that has its own views of Taiwan's appropriate relationship with the Mainland – and a Chinese government that faces challenges of its own. Taipei's attempts to rebuild relations with Washington will irritate Beijing, perhaps raising tensions across the Taiwan Strait.

Similarly, President Lee may seek a harder line with North Korea, but Pyongyang will do its best to test that determination – indeed, it already has. The South Korean public may seek more respect from the North, but it is unclear how strong a stomach it will have if the North ratchets up tension on the Peninsula and puts pressure on the South's economy. And it is unclear how the U.S and South Korea will be able to craft a strategy that accommodates the normalization of relations between Washington and Pyongyang, progress in inter-Korean dialogue, a peace process on the Korean Peninsula, and gives due respect to South Korean desires to lead in as many areas as possible. In other words, change, no matter how positive in appearance, invites entirely new challenges for the U.S. and introduces new dynamics in regional relations.

### **Chinese “Soft Power” Takes a Hit**

Those waiting for democracy, or even for the limited autonomy long sought by the Dalai Lama, in Tibet are also in for a long wait. Beijing expected that hosting the 2008 Olympics would help focus international attention on China. Be careful what you wish for! Just as Beijing wanted to use the Olympics to highlight its major accomplishments, others see it as an opportunity to highlight its shortcomings. There is lots of blame to go around – the Dalai Lama has reportedly been dismayed by the violence being instigated by Tibetan protestors, even as he condemns China's overreaction and its eagerness to blame him for the problem – and, in the final analysis, all sides are likely to lose. But the biggest losers are likely to be China's reputation and, by extension, its “soft power.” The main problem centers on Beijing's historic unwillingness to see the Dalai Lama as part of the solution, rather than immediately and repeatedly branding him as the problem.

We will not try to recap the still unfolding crisis. It has been extensively covered in the international media everywhere except in China, where access to information on what is really happening remains very restricted. But anyone thinking that the Tibetans will be the only ones to take advantage of the Olympics spotlight will be in for more surprises as the Olympic torch makes its international journey and especially when the opening Olympic ceremonies begin. Chinese security forces will no doubt find themselves rushing from point to point to tear down banners and arrest protestors, all under the watchful eye of international camera crews, who will be bringing the action to us live. Keeping the press from Tibet is one thing; keeping it under control during a (deliberately) highly publicized event will be another thing entirely. It remains to be seen if the Olympics will be a public relations plus or nightmare for Beijing. Thus far, it does not look promising.

## Will Asia catch cold?

Events this quarter – the sub-prime mortgage crisis, the roller-coaster ride in U.S. markets and the prospect of a recession in the U.S. – raised with renewed vigor a longstanding question: how dependent is the global economy, and that of Asia in particular, on the U.S.? There has been speculation that rising demand in Asia might “decouple” the region’s economy from that of the U.S. and insulate the region from gyrations in the U.S. At the end of 2007, a growing chorus suggested that Asia had created new sources of demand that could replace the U.S. – which accounts for about 20 percent of global GDP – in the event of a slowdown there. The list of substitutes included a growing, consuming middle class in China, East Asia and India, and a reinvigorated Europe. One typical report came from *ING Investment Weekly* last year that argued “The EU imported \$190 billion worth of goods from China in 2006, comparable to the \$204 billion of China’s export volume to the United States in the same year. EU share of total Chinese exports is 20 percent and growing. The U.S. share of China’s exports has remained stable around 21 percent over the last decade. This might not be enough to fully offset a sharp decline in Chinese exports to the U.S. in the event of a U.S. recession, but could be sufficient to offset a moderate slowdown.”

The theory looked wobbly in January, when Asian markets tumbled in the wake of the U.S. slump. Fears that Asian banks might also be holding sub-prime mortgages were largely unfounded, but investor concerns that resulted in a flight to more secure assets hit Asia hard. Confidence worldwide took a beating and Asia was not immune. By March, U.S. Treasury Secretary Henry Paulson was warning of a “sharp” economic downturn and the OECD said the U.S. economy was “essentially going sideways.” The Asian Development Bank’s forecast for developing economies in 2008 was a clear sign that Asia was not immune as hoped: it showed the slowest growth in five years. While 7.6 percent growth sounds good to many, it is a considerable drop from the 8.7 percent recorded in 2007, and the lowest annual figure since 2003, when those economies expanded 7.1 percent. More worrisome is the fact that the ADB forecast 8.2 percent growth for the region just six months ago. As the report explained, “Developing Asia is not immune to global developments, but neither is it hostage to them.”

By the end of the quarter, most economists seemed to think the decoupling debate was over. The ADB’s chief economist declared that “There is absolutely no evidence of decoupling when we look at either the trade or financial data. The evidence is rather to the contrary.” That view is shared by IMF managing director Dominique Strauss-Kahn and OECD secretary general Angel Gurría. In short, Asia may no longer automatically catch a cold whenever the U.S. sneezes, but there are enough cases of the sniffles going around to cause some concern.

## **Regional Chronology**

### **January-March 2008**

**Jan. 4, 2008:** North Korea's Foreign Ministry announces that Pyongyang "has done what it should do" in providing information regarding its nuclear program and that it has slowed the pace of disablement of the Yongbyon reactor because it "did not think the other parties had fulfilled pledges to supply energy aid in a timely manner."

**Jan. 7, 2008:** Surin Pitsuwan assumes the five-year post as secretary general of the Association of Southeast Asian Nations (ASEAN) from Singapore's Ong Keng Yong.

**Jan. 7-12, 2008:** Assistant Secretary of State Christopher Hill visits Tokyo, Seoul, Beijing, and Moscow for talks with his counterparts in the Six-Party Talks.

**Jan. 8, 2008:** Potjaman Shinawatra, the wife of Thaksin Shinawatra, deposed prime minister of Thailand, is arrested on charges of corruption upon her return to Thailand after months of exile. She is released on bail after a short court hearing.

**Jan. 10-11, 2008:** Indonesian President Susilo Bambang Yudhoyono visits Malaysia. Talks with Malaysian Prime Minister Abdullah Ahmad Badawi include treatment of Indonesian migrant workers, border issues, and trade and investment.

**Jan. 11, 2008:** The Replenishment Support Special Measures Bill becomes law in Japan, reauthorizing refueling operations in the Indian Ocean in support of Operation Enduring Freedom.

**Jan. 12, 2008:** Taiwan's opposition KMT party wins a landslide victory in the parliamentary polls, winning 81 seats in the legislature, while the DPP wins 27 seats.

**Jan. 13-15, 2008:** Indian Prime Minister Manmohan Singh visits China to try to boost contacts between the two countries. While there, the two countries sign five agreements including a memorandum of understanding to promote railway cooperation and in the areas of housing, geo-sciences, land resource management, and traditional medicine.

**Jan. 13-16, 2008:** Adm. Timothy Keating, US Pacific Command commander, visits China and meets officials from the Central Military Commission, the General Staff of the Chinese People's Liberation Army (PLA), Guangzhou Military Area Command and the Ministry of Foreign Affairs.

**Jan. 15, 2008:** In an apparent reversal of policy, Australia announces that it will not sell uranium to India unless it signs the Nuclear Non-proliferation Treaty.

**Jan. 16, 2008:** Japan offers a new aid package to Vietnam, Myanmar, Laos, Burma, and Thailand) while encouraging them to make more progress on human rights and democratization.

**Jan. 16-20, 2008:** Deputy Secretary of State John Negroponte visits China to participate in the fifth U.S.-PRC Senior Dialogue.

**Jan. 17, 2008:** The UN Security Council says in a statement that it “regretted the slow rate of progress” Myanmar has made meeting objectives it set out last October. Underscoring the importance of “further progress” toward the goal of reconciliation between the military regime and the opposition, it noted that “an early visit by UN special envoy Ibrahim Gambari could help facilitate this.”

**Jan. 17, 2008:** President-elect Lee says that South Korea will make no demand during his presidency for apologies about Japan’s colonization of the Korean Peninsula at a meeting at the Seoul Foreign Correspondents’ Club.

**Jan. 18, 2008:** Japan Prime Minister Fukuda Yasuo unveils in a speech to the Diet an ambitious diplomatic policy on environmental issues, saying he will lead the world in efforts to convert to a “low-carbon society” and to create a financial mechanism to help developing nations deal with global warming.

**Jan. 18-19, 2008:** British Prime Minister Gordon Brown visits China. The trip is portrayed in both London and Beijing as of vital importance to strengthening ties between the two countries.

**Jan. 23, 2008:** China and Vietnam agree at the second meeting of the China-Vietnam Steering Committee on Cooperation to properly handle their dispute over the South China Sea to ensure the steady and healthy development of bilateral ties.

**Jan. 23, 2008:** Russia delivers 50,000 tons of fuel oil to North Korea in line with a six-nation deal to resolve the country’s nuclear problem.

**Jan. 24, 2008:** A Japanese naval ship departs for the Indian Ocean after the government forced a resumption of a refueling mission supporting the U.S.-led war on terror.

**Jan. 24, 2008:** The foreign ministers of the U.S., France, and UK make a joint statement at the World Economic Forum in Davos, Switzerland saying “the urgent need for progress towards a transition to democracy and improved human rights in Burma” was a priority for this year’s meeting.

**Jan. 27, 2008:** Former Indonesian President Suharto dies.

**Jan. 29, 2008:** Samak Sundaravej, ally of deposed Thai Premier Thaksin, is elected prime minister after winning a majority of votes in Parliament. Samak’s People Power Party (PPP) leads a six-party coalition that controls two-thirds of the seats in Parliament.

**Jan. 28, 2008:** The *USS Blue Ridge* docks in Hong Kong, the first U.S. warship allowed in since China refused a similar request in November 2007.

**Jan. 29-31, 2008:** Wang Jiarui, head of the International Department of the Chinese Communist Party's Central Committee, and his delegation visit Pyongyang and meet Kim Jong-il and senior officials of the Workers' Party of Korea. Kim reportedly tells Wang that "the present difficulties are temporary and can be conquered. There are no changes in the North's stance to continue pushing forward the Six-Party Talks persistently and implementing all the agreements."

**January 30-31, 2008:** FBI Director Robert S. Mueller III visits Vietnam and Cambodia. In Vietnam, Mueller meets senior law enforcement officials to discuss cooperation. In Cambodia he presides over the opening of the Embassy's Legal Attaché office, which will cover both Cambodia and Vietnam. He also meets Prime Minister Hun Sen in Phnom Penh.

**Feb. 2, 2008:** Taiwan President Chen Shui-bian inaugurates a runway on Taiping Dao, one of the disputed Spratly Islands and insists the archipelago belongs to Taiwan despite claims by China and several other countries.

**Feb. 6, 2008:** Secretary Hill tells Senate Foreign Relations Committee that linking the Japan abductees to the state sponsor of terrorism list issue is "not in the interest of moving forward with the [Six-Party] Talks" and that costs associated with "phase 3" of the denuclearization process have not yet been identified.

**Feb. 6, 2008:** U.S. lifts sanctions on assistance to Thailand imposed after the 2006 coup.

**Feb. 9, 2008:** Two Russian bombers fly over the *USS Nimitz* and are intercepted by U.S. fighter jets in the Western Pacific Ocean. Meanwhile, Japan lodges a complaint with Moscow over allegations that a Russian bomber, thought to be one of those involved in the Nimitz fly-over, intruded into Japanese airspace.

**Feb 11, 2008:** East Timor's President Jose Ramos-Horta is shot by rebel soldier in a pre-dawn attack on his Dili home, and later airlifted to Australia for treatment. Later Prime Minister Xanana Gusmao, who was targeted in a separate incident but was unharmed, declares a 48-hour state of emergency, which was subsequently extended to Feb. 23.

**Feb. 11, 2008:** U.S. Defense Department analyst and a former engineer for Boeing are accused in separate spy cases with helping deliver military secrets to the Chinese government. Two immigrants from China and Taiwan accused of working with the defense analyst are also arrested.

**Feb. 12, 2008:** China and Russia submit a new draft for a treaty against space weapons to the UN Conference on Disarmament.

**Feb 12, 2008:** Japanese PM Fukuda condemns the actions of a U.S. Marine accused of raping a 14-year-old girl, and other officials said the incident may harm relations between the two countries.

**Feb. 13, 2008:** Malaysian Prime Minister Abdullah Badawi dissolves Parliament in preparation for snap elections.

**Feb. 14, 2008:** Beijing accuses the U.S. of fabricating spying allegations and says “China’s so-called espionage in the United States is completely groundless and with ulterior motives.”

**Feb. 18-22, 2008:** Secretary Hill visits China, South Korea, and Japan to discuss issues related to the Six-Party Talks. While in Beijing, he also meets North Korea’s Kim Kye Gwan.

**Feb. 18-Mar. 3, 2008:** The U.S. and the Philippines conduct the annual bilateral exercise *Balikatan*. The exercise involves field training, a command post exercise, and execution of humanitarian assistance/civic action projects.

**Feb 19, 2008:** U.S. Ambassador to the Philippines Kristie Kenney holds unprecedented secret meeting with Moro Islamic Liberation Front (MILF) chair Al Haj Murad Ebrahim.

**Feb. 20-28, 2008:** Defense Secretary Robert Gates visits Australia, Indonesia, India, and Turkey. During the visit, he meets a variety of security and defense officials and pledges arms upgrades and other Pentagon support for Indonesia.

**Feb. 20, 2008:** Burma’s military government announces that a draft of the new constitution has been completed and will be put to a referendum in May, followed by elections in 2010. It bars opposition leader Aung San Suu Kyi from standing as a candidate because she had a foreign husband.

**Feb. 20-24, 2008:** China’s State Councilor Tang Jiaxuan visits Japan for talks with PM Fukuda and other leaders.

**Feb. 21, 2008:** The Japanese Maritime Self-Defense Force supply vessel *Omi* resumes its refueling mission in the Indian Ocean after a four-month hiatus to continue the fight against international terrorism in cooperation with other countries.

**Feb. 21, 2008:** The U.S. Navy successfully hits a U.S. spy satellite. The U.S. describes the shoot-down as necessary over concern that toxic fuel on board the satellite could crash to earth and harm people. Russia and China criticize the action, saying it could harm security in space. China accuses the U.S. of using a double standard and requests the release of data related to the shoot-down.

**Feb. 23-28, 2008:** Secretary of State Condoleezza Rice visits South Korea, China, and Japan. While in South Korea she attends inauguration of Lee Myung-bak and meets officials from China and South Korea to discuss the Six-Party Talks process.

**Feb. 25, 2008:** Lee Myung-bak inaugurated the 17<sup>th</sup> president of South Korea. Immediately following his inauguration, Lee holds separate talks with Japanese PM Fukuda, Chinese State Councilor Tang Jiaxuan, Russian Prime Minister Victor Zubkov, and Secretary Rice.

**Feb. 26, 2008:** The New York Philharmonic Orchestra performs a landmark concert in North Korea. The concert was broadcast live on local television and included the national anthems of both countries, music by two U.S. composers, and a Korean folk song. The visit entailed the largest U.S. presence in North Korea since the end of the Korean War.

**Feb. 28, 2008:** Former Thai PM Thaksin returns from exile. He has been living outside Thailand since the military coup that deposed him in September 2006. He still faces a number of challenges, including an indictment for corruption.

**Feb. 28, 2008:** President Bush says that he will attend the Beijing Olympics in August as a sports fan, but vows not to be “shy” about pushing China on human rights as well as Darfur and Myanmar.

**Feb. 29, 2008:** U.S. Marine arrested on suspicion of raping a 14 year-old girl is released by Japanese authorities after the girl drops the accusation against him.

**March 2, 2008:** Dmitry Medvedev is elected president of the Russian Federation.

**March 2-3, 2008:** The Asia-Pacific Economic Cooperation (APEC) Senior Officials’ Meeting (SOM) is held in Lima, Peru with 21 representatives from its member countries attending the meeting. There were discussions on this year’s agenda items including regional economic integration such as the establishment of a Free Trade Area of the Asia-Pacific (FTAAP), structural reform, economic and technical cooperation, reform of APEC and the Corporate Social Responsibility (CSR). Specifics for the APEC Summit Meeting to be held in Lima in November were agreed.

**March 2-7, 2008:** The U.S. and South Korea conduct military exercise *Key Resolve* to provide training in aspects of reception, staging, onward movement, and integration of forces from bases outside of South Korea. The joint military exercise is characterized as designed to prepare for Seoul’s plans to retake wartime command of its forces.

**March 4, 2008:** China announces that it will increase military spending this year by 17.6 percent, roughly equal to last year’s increase. A Chinese spokesman said the country’s decade-long military buildup does “not pose a threat to any country.”

**March 6, 2008:** Suspected Russian arms dealer Viktor Bout, accused of flouting UN embargoes and wanted by Interpol, is arrested in Bangkok

**March 6, 2008:** Announcement is made that Presidents Lee and Bush will meet at Camp David for a private dinner and summit in mid-April. This will be the first time that leaders from the U.S. and ROK will meet there instead of the White House.

**March 6-10, 2008:** U.N. special envoy Ibrahim Gambari visits Burma. It is Gambari's fifth visit since he was appointed in early 2006 and his third since a crackdown on monk-led protests in September last year. Although Gen. Than Shwe refused to meet him, he met Aung San Suu Kyi twice as well as Information Minister Brig. Gen. Kyaw Hsan and several junior ministers.

**March 8, 2008:** Malaysian elections enable the Barisan Nasional (BN) to retain power but show dramatic new inroads by opposition parties.

**March 10-17, 2008:** Indonesian President Yudhoyono visits Iran, Senegal, and the United Arab Emirates. In Iran, he meets President Mahmud Ahmadinejad and Supreme Leader Ayatollah Khamenei to discuss Tehran's nuclear program, investment, and trade. In Senegal, he attends the 11th Organization of the Islamic Conference.

**March 11, 2008:** Department of State releases its annual report on human rights. Unlike previous years, China is not listed as among the top 10 most systematic human rights violators, but is described as an authoritarian regime that denies its people basic human rights and freedoms, tortures prisoners, and restricts the media.

**March 13, 2008:** China releases its annual report on human rights in the U.S., which calls the U.S. record "tattered and shocking," and criticizes the U.S. for its high crime rates, large prison population, and the wars in Iraq and Afghanistan.

**March 13-14, 2008:** Assistant Secretary Hill and North Korean Vice Foreign Minister Kim Kye Gwan hold talks in Geneva aimed at breaking the deadlock over North Korea's nuclear program. Hill describes the discussion as a good consultation. State Department Head of Korean affairs Sung Kim remains in Geneva and has an additional meeting with representatives from North Korea on March 14.

**March 14, 2008:** Protests against Chinese rule in Tibet turn violent with shops and vehicles torched and at least two people reportedly killed by security forces in Lhasa. The protests that began on March 10, the anniversary of a 1959 uprising against Chinese rule, were initially led by hundreds of Buddhist monks, but have since attracted large numbers of ordinary Tibetans. The U.S. and the European Union lead international calls for restraint by China in its response to the protests.

**March 14, 2008:** The Chinese and Russian Defense Ministries open a direct telephone line. In their first telephone conversation over the line, Chinese Defense Minister Cao Gangchuan tells Russian counterpart Anatoly Serdyukov that the link reflects the level of political trust and strategic coordination between the two countries. Cao said the line will ensure timely consultations and coordination on hot issues.

**March 17-18, 2008:** Secretary of State Rice and Secretary of Defense Gates visit Russia and meet President Putin and President-elect Medvedev. Gates and Rice saw Putin and Medvedev before talks with Russian defense and foreign ministers on a broad range of bilateral, strategic issues, including missile defense, post START arrangements, and cooperation on nonproliferation as well as counterterrorism.

**March 19, 2008:** South Korea's Business Institute of Sustainable Development announces that ₩5.5 trillion (\$5.5 billion) in lost productivity occurred in 2007 as a result of "yellow dust" from China.

**March 20-22, 2008:** Foreign Minister Yu Myung-hwan makes his first visit as foreign minister to China to plan for a likely May state visit by President Lee to Beijing.

**March 22, 2008:** Ma Ying-jeou wins the presidential elections in Taiwan with 58 percent of the votes. In his acceptance speech he says that he would pursue closer economic relations with mainland China, confidence-building measures to reduce the chance of an accidental war, and eventually a peace agreement with Beijing.

**March 26, 2008:** President Bush calls President Hu Jintao to discuss the opportunities created by the Taiwan elections, the situation in Tibet, Burma, and North Korea.

**March 26-30, 2008:** South Korea Foreign Minister Yu Myung-hwan visits the U.S. in preparation for an upcoming visit by President Lee Myung-bak. He meets Secretary of State Rice.

**March 27, 2008:** South Korea supports a resolution at the UN Human Rights Council in Geneva expressing deep concern about continuing reports of systematic violations in North Korea. It was adopted with 22 countries in favor, 7 against, and 18 abstentions. South Korea was absent or abstained from similar votes in the past.

**March 28, 2008:** North Korea fires multiple short-range ship-to-ship missiles into its territorial waters in the West Sea. The U.S. responds by saying the tests are "not constructive" and urging the North to focus on nuclear disarmament.

**March 28, 2008:** Australian Prime Minister Kevin Rudd visits Washington and meets President Bush. They call for Chinese leaders to meet the Dalai Lama to defuse tensions in Tibet.

**March 28, 2008:** North Korea states it has "never enriched uranium nor rendered nuclear cooperation to any other country."

**March 31, 2008:** Secretary Hill says differences with North Korea "are getting bigger; they are getting smaller."