

Remarks
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“Northeast Asia Security Issues”

Thank you for the opportunity to take part in this session today.

- I have participated in six similar sessions with a different group of journalists—specifically, Jefferson Fellows – have found each especially stimulating.
- Last session, I was so worried about being late, I got a speeding ticket.
 - You know you are doing these sessions simply for stimulation when your honorarium is less than the cost of being 15 MPH over the speed limit.
- I traveled more than expected since I’ve retired:
 - Spent a full-day with U.S. experts on the North Korean nuclear problem. Former Ambassadors, Senior Intelligence Officers, Experienced Policy Leaders from DOD and State, Former Military Commanders, the Press. Great deal of experience, wide range of political views, unafraid of expressing their views in a not for attribution session, led by Dr. Perry, our former Secretary of Defense. Of course, he has great personal experience with this issue.
 - China with the Governor
 - 5 trips to Washington (QDR)

- Thought I would spend the majority of my time answering your questions, but before that—provide my views on 3 subjects
 - North Korea and 6 party talks
 - Where Japan is headed
 - Rise of China from a military point of view

North Korea

- I have gone back and reviewed the U.S. experts' discussion in light of apparent progress in 6 party talks.
 - Nobody thinks that there is an easy formula here to solve this problem
 - No magic set of guaranties and economic incentives that will result in quick agreement.
 - No guarantee that Kim Jong Il will both give up all facets of his program and open his economy and society to the outside world.
- Expect a long, tough negotiation.
 - Need to keep it simple and leave other issues like Human Rights, Peace Treaty to follow on efforts.
- Multi-lateral character is important.

- Future of Northeast Asia and Region is at state.
- Interests will never be perfectly aligned. Equally important is preserving the ROK-U.S. alliance. Have to be sensitive to positions that run counter to that objective.
- Nobody has a problem with a significant U.S.-DPRK bi-lateral discussion within this six party context.
- Most believe Diplomacy is rarely successful unless there are consequences if diplomacy does not work. You can call this the coercive element if you like.
 - But the other side of the coin is well recognized also. You can't take coercive steps unless you have made a full and honest diplomatic effort. You simply won't have the regional and international support necessary to be effective.
- The sequencing of any deal will be key. Who does what first—second, etc.
 - Will require significant modification of current positions.
- Plutonium is the most immediate threat. What is currently in NK hands. What can be further produced. The ease at which it can be proliferated to other actors—especially terrorists. This relates back to my previous point on sequencing.
- Situation is much different today than in 1994—Agreed Framework. Lots of reasons:

- Military balance further favors U.S./ROK.
 - North Korea has Plutonium and the ability to produce more.
 - Admitted to Uranium Enrichment Program—has to be dealt with in some fashion.
 - Will require different and maybe difficult set of metrics, inspections, etc.
- Obviously I picked the takeaways I thought both relevant and I agreed with.
- Let me add some additional thoughts.
- Kim Jong Il will do everything possible to keep some semblance of a nuclear program. He sees it as important to regime survival.
 - He will also be very reluctant to open his society/economy because he sees it as the first step on the slippery slope to his demise.
 - You won't get a deal unless he sees the first two points as the preferred alternative to a set of consequences if he doesn't make a deal. Right now the status quo is fine with him.
 - U.S. has significant leverage (security assurances, etc). China has significant leverage—more so than they will admit. Broader International Community has leverage—or you would not hear statements like sanctions are an act of war. The question remains how to put all this together.

- We shouldn't expect anyone to walk out of a negotiation anytime soon saying there is a deal. Measuring or defining progress along the way is, in itself, an issue.

Japan is adopting a worldview of security, more appropriate for a global economic power.

- We have witnessed significant change in the past 3 years...really a sea change.
- Japanese Government has passed or implemented:
 - Extensive Legislation. Seven New Laws for Emergency Situations.
 - Pumped 100M gal of fuel to ships in Operation Iraqi Freedom / Operation Enduring Freedom in the North Arabian Sea. Deployments previously impossible to support.
 - Deployed some 600 troops to Samawah, Iraq—which by the way was a source of great pride. As a Senior JSDF told me: “This is an opportunity to regain confidence of the world.”—lost 60 years ago.
- In my estimation, this change in their security architecture will continue at a very measured pace.
 - Missile Defense will be next — some sort of collective defense arrangement will be worked out – driven by North Korea.
 - My sense is this change will be fine. The mission will be Humanitarian assistance, peace keeping, peace enforcement. Not unlike what we have seen in Iraq and East Timor and Tsunami response.

- The changes in capability will be modest and defensive.
- It should not be threatening to East Asia. But we all recognize that the history card is out there and this change has the potential to be both controversial and complex.
- China will have to deal with this. And we would all do well to encourage a strict adherence to the facts with respect to adjustments in Security posture. It doesn't serve anyone's interest to amplify any level of tension between Japan and China. We should help smooth the peaks and valleys.

The Rise of China

- When I have toured Asia and the Pacific, you can't help but be impressed with some parts of China's diplomatic and economic strategies.
 - Their investment is seen everywhere.
 - Soccer stadiums and martial arts training in Fiji.
 - Military barracks in Tonga.
 - Gas deals in Indonesia. Energy from Australia.
 - Their diplomats are skilled and energetic. When I attended President Arroyo's Inauguration, the most senior representative worldwide was the Chinese Foreign Minister.

- Much has been said about what is called a “soft power strategy”...it appears to be effective and making headway.
 - Certainly, it’s opportunistic—In the Philippines, when U.S. voiced displeasure with the pull-out in Iraq, we saw an immediate effort by China to curry favor.
 - The urgency of President Arroyo’s visit.
 - Invitation to the Philippine Chief of Defense.
- I do believe China will be a great power at some point. Much more so than the Soviet Union, because China is progressing on all fronts—economically, militarily, and diplomatically. That is not a bad thing. However, we can’t give China a free ride. With new status, comes a new set of responsibilities.
 - I think that Ralph Cossa from CSIS, who is a moderate voice on China, had it right in a recent article when he said “They say you can judge people by the company they keep. The same can be said about countries.” The article went on to detail that if China wants a proper place on the world and regional stage, it has to quit courting some of the world’s most repressive regimes. The invitation to Robert Mugabe and passing up Asean Regional Forum to visit Burma (Myanmar) were sighted.
- We all recognize clearly the significant military modernization that is underway. Growth reflecting this great power vision. Fueled by 7-10% economic growth.
 - 250 4th generation fighters.

- 12 modern diesel & building 2 new classes-nuclear subs (8 more diesel and 3 more nuke subs planned).
- Sophisticated air defense (Russian).
- Missiles: at least 500 short-range; unk med.-range; over 100 ICBM.
 - They have exceeded our expectations in their ability to build and acquire advanced systems.
- That said I don't believe China is looking for adversarial relationship with U.S. or India—they can't afford it.
 - Lots of evidence. I believe China's withdrawal of the offer for Unocal is a relevant example.
 - They are terribly concerned about the potential for internal unrest if they can't expand the "Shanghai miracle" to the other "1 B Chinese".
 - Plus, as I mentioned earlier we all have a number of shared interests in the free movement of energy resources, terrorism, and transnational issues like SARS / AVIAN FLU / AIDS and of course North Korea.
- I said at the outset that democracy doesn't necessarily make things easier. And, of course, that is true when you discuss the RISE OF CHINA in the United States.

You will get a range of views:

 - From those that see economic opportunity and, in fact, increased stability with China's ascendancy as a great power.

- To those that worry greatly about China's significant military build up and its potential implications.
- I would say that those that have sat in my chair take a relatively balanced view.
 - We look for a cooperative, constructive relationship and some political reform.
 - We realize there isn't a day-to-day level of tension between the U.S. and Chinese militaries – as an individual implied at a recent conference I attended. I lived through the Cold War, at sea, and this ain't it.
 - We see value in a level of military to military engagement. It highlights:
 - quality of our capability
 - quality of our relationships
 - We recognize that China will build a military that they believe appropriate for their view of a great power status. A Blue Water Navy will be a key element of this as China energy demand increases size of Saudi total production. While I don't see this as particularly threatening to the U.S., it bears continuous scrutiny and certainly has regional implications.
 - I personally believe China will grow their military capability even absent the Taiwan issue.

➤ The question is, what will they do with it?

- Will they threaten/coerce their neighbors—use it to further economic objectives? Will they call the shots and set the rules.

OR

- Will they contribute appropriately to the multi-national efforts ongoing today in the region which are a source of stability?