



*Three Strands of Asia*  
Trilateral Cooperation Secretariat Lecture Series

# Special Lecture

**The Making of Northeast Asia**  
**April 14, 2014**

# The Making of Northeast Asia

Kent Calder  
Professor of Johns Hopkins University

---

*The special lecture of the Three Strands of Asia was held in April 14, inviting Professor Kent Calder of Johns Hopkins University who visited Korea for the 2014 International Forum for the Trilateral Cooperation, one of the prominent projects of the TCS. The lecture by Professor Calder, the renowned expert in Northeast Asian regionalism, featured his recent book, 'The Making of Northeast Asia'. In the lecture, Professor Calder illustrated his view on Northeast Asia as a region of cooperation and synergy apart from the perspective that emphasizes territorial and historical tensions within the region.*

---

## **Conflicts within Northeast Asia and Their Background**

The situation in Northeast Asia seems dangerous and intense due to such instances as the turbulence in North Korea since the death of Jang Sung Taek, and the controversy over the air defense zone that China has created in the East China Sea. On the top of all this, there has historically been no framework for organizing and stabilizing relations in Northeast Asia. This is especially true if we look and contrast to Europe: There is NATO, EU and OSCE.

## **Expectations for Positive Relationship within Northeast Asia**

But I still believe that there are important reasons for optimism in regard to the relationship within Northeast Asia. In my book, 'The Making of Northeast Asia', I call this area the 'Shanghai Circle'. (But it could also be called the 'Seoul Circle'.) As you can see, this place where Shanghai or Seoul is at the center is strategically and economically important. The communication and transportation between Seoul, Shanghai and Tokyo has been increasingly and rapidly growing in recent years. So this is a very dynamic area all over the world.

## **Position of China, Japan and Korea in the International Society**

In order to understand the dynamics of this area, we need to understand how large China, Japan and Korea are in the international system. Three countries have a population of more than 1.5 billion people, and their share of world GDP is almost 20%. Their share of world trade is very large in comparison to North America and the European Union.

I think it is also important to remember that Northeast Asia is much larger than ASEAN. We can see that in various measures Northeast Asia is roughly speaking 80% of the total for Asia as a whole. For example, about 82% of the total GNP of Asia is produced in this part of the world. And the same thing is true for foreign exchange reserves. China has the largest foreign exchange reserves in the world, Japan has the second largest and Korea recently in sharp contrast to the situation during the Asian Financial Crisis also has large rising foreign exchange reserves. One thing to remember too is that in the military area, the relationships in Northeast Asia are more tense, and military spending is about almost 90% of the total military spending of Asia as a whole. Diplomatically ASEAN is also important but in terms of its economic, political, military and population scale, Northeast Asia is by far the most important part of Asia.

### **Progress of the Trilateral Cooperation**

Perhaps you would think that because of all of the tensions and historic problems, there is not much progress going on in terms of regional cooperation. Actually there is some very important and quiet progress which has been going on, and which the media do not pay much attention to. Since the Asian Financial Crisis, the leaders of the Northeast Asia have begun to talk to each other much more than they did previously. If I went back to early 1990s, Korea did not have any diplomatic relations with Russia and China, and it had very difficult relations with Japan as well. Certainly there are problems but there has also been a remarkable change in Northeast Asia in the last 25 years. Many new forms of cooperation took place in the decade between 2000 and 2010. The realm of the trilateral cooperation encompasses various fields including environment, finance, trade, information and technology. In 2008, the summit conference between the leaders of China, Japan and Korea was held for the first time. And in 2011, this organization, the Trilateral Cooperation Secretariat, has been found.

What I want to say is that the place where we are today is the combination of a process of expanding cooperation that has been going on for more than 10 years. Even though there were conflicts over historical and territorial issues, at the working-level there has been steady increasing process of quiet cooperation. The last two years have been difficult but recently there are some reasons for optimism as we can see from the case of the recent summit between Korea, Japan and US in the Netherlands. The meaning of this meeting is to prevent the situation from getting worse. If the leaders can actually begin to talk to one another, it becomes harder to take steps which will seriously offend the other side.

### **Combination of Danger and Opportunity in Northeast Asia**

We have a combination of danger and opportunity which is forcing the leaders of the region toward some newer approaches to international relations. Precisely because there is danger, there is need for activism or new ideas in terms of how countries in the region can cooperate. Let me give you some ideas of where I think that cooperation is both possible and necessary.

The first area has to do with disaster preparedness. All three countries have recently suffered from major national disasters from 2008 Sichuan earthquake to Fukushima accident. So the

whole issue of disaster preparedness is one that people of all three countries can understand. The second area is related to the questions of the future of the North Korea. The future of the North Korea is quite uncertain and it would have a large impact on all of the region. There is all kinds of scenarios which could arise right in the middle of this region such as North Korea's military action, and collapse of the government. These three countries are the ones that will be the most affected. Another area where there is a need for cooperation has to do with trade. As I was saying earlier, trade in this region is the largest of the major regions of the world and the countries of the region trade in very large amounts with one another. So the stable trade relationship in the region is extremely important. I should mention one last area where it seems to be that cooperation is crucial, and that is the area of finance. Today as I was mentioning the two largest nations in terms of foreign exchange reserves in the world are China and Japan. If you combine the foreign exchange reserves of China, Japan and Korea, you have probably almost half of the foreign exchange reserves of all of the nations on earth. If the three countries are fighting with each other over the foreign exchange rate, there will be tremendous chaos not only in Northeast Asia but in the entire international financial system.

## **Conclusion**

We have very important period of both danger and opportunity, where the opportunities are much greater than most of us realize or even dream. Important thing is making incentives to increase such opportunities for cooperation through various trilateral cooperation projects.

## **Q & A**

1. North Korea's development of nuclear weapon is one of the important causes for the tensions in Northeast Asia. If the North Korean nuclear crisis exacerbates, Korea and Japan cannot avoid arming themselves with missiles and America will try to prevent the North Korean threat by providing nuclear umbrella to Korea and Japan. This in turn will provoke China and hinder the cooperation among China, Japan and Korea. What is your opinion about US-China relation in terms of North Korean nuclear issues?

We need to remember the very deep degree of economic integration between US and China. This is not like the US and Soviet Union in the Cold War. For example, there are 200,000 Chinese students including the daughter of the president Xi Jinping studying in the US. I think this interdependence is the stabilizing factor for the US-China relation.

However, the problem that you mentioned of the development of North Korea's nuclear weapon is quite serious particularly to Japan. Big danger I see in this is that it provokes Japan to increase its military spending. Of course, it will worsen the security situation of South Korea as well. Sanctions and embargos to prohibit North Korean nuclear development can reduce the danger to some extent. If necessary, such means as missile defense that protects US allies against North Korean missile capability is crucial. Yet this is not a missile defense against

China. US does not want to provoke an arms race with China and in the US, we see basically a big community of interest among all the nations here including China.

2. I believe for the future better-off for this region, the three countries need to make contributions even by sacrificing some of their short-term interests. I have read an article about the division of labor of the three countries for the trilateral cooperation. The article says that China should bring economic gains to this region, Japan should do some compliments in the political matters to return to the Asian family and Korean should play the role of bridge among the two big nations. In your road map to the Northeast Asian regionalism, do you have such a division of labor of the three countries?

Broadly speaking, I agree with that sort of a division you suggest. Geographically and politically, Korea is capable of playing a coordinating role. If we look at the case of Europe, Benelux was the catalyst of the creation of the European Union along with the philosophy of the leaders of Germany and France. The smaller countries are in an easier position for becoming a bridge among big nations because they are less threatening.

It is true that avoiding more provocative actions in respect to history or political questions is the important role that Japan can play. However, one should not forget the positive economic role that Japan potentially can provide. Japan produces high quality components for all sorts of products from machinery to automobile. This can be complimentary to the companies elsewhere in the world including Korea and increase their competitiveness.

China is the most populous nation in the world with a huge market. Yet China is not only a supply market but a place where many foreign countries around the world are located. Thus it is important to provide an environment where foreign companies including that of Japan, Korea and US are able to compete without strong government intervention.

3. Nowadays public opinion is often expressed through online. Yet cyberspace can be another source that provokes people in other countries, serving as a barrier for the trilateral cooperation. Do you have any idea about resolving the issue of cyber nationalism?

That is a very serious problem probably in all three countries. People who are not conscious of the outside world tend to say provocative things sparking backlashes in neighboring countries. In order to resolve the issue of cyber nationalism, we need better publicity on the positive things that are going on. It is why I believe that the meetings between the leaders are important. What the leaders do or say gets repeatedly reported by the media. If the leaders frequently meet up and say positive things, we can dramatize cooperation more than tensions among nations.

4. Do you think that the cooperation among China, Japan and Korea can be a threat to the US?

If we are looking at this situation 20 years ago, I think the US was more interested in the balance of power. However, the nations in East Asia are more powerful now and the US is more worried that their competition to each other will stimulate some dangerous tendencies.

On the other hand, North Korea is more serious threat than it was used to be. And the US does not want a situation in which cooperation of the three countries are restrained or inhibited because of this North Korean threat.

In fact, we are living in a world that is totally different from the past, where the danger of a small mishap to cause financial crisis can be very worrisome even if there is no conscious war of some kind. There are two largest creditors of the US in Northeast Asia: Japan and China. And this is why stability of the region is much more important than it was 20 years ago. We are all in the same team in this sense.

5. Do you have any expectations or advice for young university students looking far out to become diplomats or world leaders?

In terms of advice, I think language is one thing. Students need to learn not only English but also other languages including the ones used in the Northeast Asia. Secondly, participating in internship programs of diverse international organizations is recommended because it will give you a sense of how those organizations operate. The other thing is that I think is really crucial is keeping a questioning attitude. Just keep asking questions. Do not just agree with what you hear. I think that is tremendously important.

### Special Lecture at a Glance

Image of Northeast Asia as ‘a region with conflicts’ due to:  
Turbulence in North Korea  
Territorial Issues  
History Issues



Growing interdependence within the region (Shanghai Circle)  
Growing importance of the region (increase in GDP, foreign reserves, etc.)



<b>Progress of the Trilateral Cooperation</b>
-Frequent talk among leaders after the Asian Financial Crisis -Realm of the trilateral cooperation encompassing various fields including environment, finance, trade, information and technology -Trilateral Summit held independently for the first time in 2008 -Trilateral Cooperation Secretariat founded in 2011
<b>Possible areas of further cooperation</b>
1) Disaster management, 2) North Korea issue, 3) Trade, 4) Finance

### Three Strands of Asia Overview

	Date	Theme	Speaker
Lecture One	2014.2.13	Written Scripts	Professor Emmanuel Pastreich Kyung Hee University
Lecture Two	2014.3.13	Housings	Mr. Kim Kyung Eun Editor of Kyunghayng Shinmun
Special Lecture	2014.4.14	The Making of Northeast Asia	Professor Kent Calder Johns Hopkins University
Lecture Three	2014.5.20	Court Music	Professor Song Hye Jin Sookmyung Womens' University
Lecture Four	2014.6.25	Implication of Confucianism	Professor Shing Jung Geun, Sunkyunkwan University
Lecture Five	2014.7.17	Tea Cultures	Ms. Muramatsu Kanako Chief Representative, Urasenke Seoul Branch
Lecture Six	2014.9.23	Calligraphy	Mr. Ye Xin Board member, Chinese Culture Center at Seoul



Professor Kent Calder is the Director of Reischauer Center for East Asian Studies, Johns Hopkins University. He is one of the world's leading expert in Northeast Asia who served in various roles for the US Department of State most notably as a Special Advisor to the US Ambassador to Japan, and a Special Advisor to the Assistant Secretary of State for East Asia and Pacific Affairs, including Korea. Professor Calder keeps frequent touch with the publics in Northeast Asia by local media and his books in translation including 'The New Continentalism: Energy and Twenty First Century Eurasian Geopolitics' (2012).



Three Strands of Asia is the monthly lecture series by the Trilateral Cooperation Secretariat (TCS) started from February, 2014. This lecture series brings together experts of China, Japan and Korea to explain various aspects of the cultures and societies of the three countries from a comparative perspective. This event is aimed at encouraging balanced and thoughtful understanding of the three countries by investigating similarities and differences.

Edited by: YANG Soo Young