Measuring American Power in Today's Complex World*

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It is a pleasure to be back, good to see you again chairman SaKong, and to again be addressing the Institute for Global Economics. It has been too long since I last talked with you, and I apologize for that. I also apologize that very shortly after some Q & A you will see me running for the door. Professors at Yale do not usually run, but if I have to catch my plane, I will be running very hard and fast.

My topic is the measuring of American's power in today's complex world. All of those words are chosen; I am trying to measure so I am doing comparative assessments and judgments. I am trying to look at American power in complicated form, and trying to refer it to today's complicated world. I don't have to tell intelligent people on the peninsula of Korea that today's world is complicated.

For the sake of simplicity and argument, I will divide my remarks into three sections or three aspects of power. My argument is that you cannot measure global power and influence on one single plane or by one single criterion. And I think I will try to be generous and give a boost to my opposite at Harvard University, Professor Joseph Nye, who about 10 years ago, when he wrote 'Bound to Lead', which was a criticism of my 'Rise and Fall of the Great Powers', suggested that there is other power besides military as he coined the phrase, "soft power". What I would like to do is take a brief look at the relative measure of American military power, economic technological power, and then cultural diplomatic ideological power. Professor Nye says it's like playing on three different chessboards.

When we look at the chessboard of military power and the military balance of power in the world today, I don't think anyone would dispute that the US is unequalled number one. It manifests in so many material a physical and visual ways. If you have had a visit by an American aircraft carrier in one of your harbors, you will see what I mean. These large nuclear powered aircraft carriers are 20 stories high and as long as four soccer pitches. They have 75-80 jet aircraft and displace 110,000 tons. They also have a crew

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(if you also count the crew of the aircraft and helicopters) of about 5-6,000 people. It is a small town traveling across the globe. The aircraft carriers are accompanied by a lot of escorting vehicles, frigates, destroyers, and submarines. If you looked at the cost of one American carrier group, it is about 28 billion dollars for one carrier group. That is equal to the defense budget of Italy. But it's not just one; there are 14 of them. The last one was properly named the USS Ronald Reagan. They are in different parts of the world including the Atlantic, Persian Gulf, China Sea, and the Mediterranean.

They have reach and command of the air as well in terms of putting up their fighters and bombers, as well as control and communications through satellites, and particular specialized aircraft, which can direct their fighter aircraft. They have a special long-service trained military. They have an extraordinarily sophisticated intelligence system. You may not think it's all that sophisticated because it did not detect 9/11, but that's because they were picking up so much intelligence, they could not work out what was the important stuff. They have a whole array of alliances in Europe, with NATO, in Central America, in Southeast Asia, with Korea, Australia, New Zealand, Saudi Arabia, and Israel.

So this is a very large global spanning military power, which has no equivalent perhaps anywhere else in history. Even the Roman Empire was only a European-wide empire. Even though the British Empire in the 19th century was worldwide, it didn't have the cumulative power of the US today; the defense budget of Russia and France was equal to that of Great Britain. So you would say that it is unequaled, and on this chessboard it is number one.

However, we cannot stop here. There are one or two things going on that worries even the ultra conservative American supreme nationalists and the US military people I talk to. First, there is an increasing mismatch between American commitments overseas and the forces, especially ground forces, to carry those out. This is what I call imperial overstretch. This is not really a problem for the US Navy or submarine force. At the moment the US submarine force is very bored and very worried because they do not have a big enemy like the Red Navy. But for the US Army and Marines, there is deep anxiety. At the last count, there were 368,000 American service men and women in 120 countries. Some of those are small like Marine Corps detachments protecting an embassy, or advising against drug trade in Columbia. However, there are very substantial deployments here in Korea, some in Japan, 38,000 still in Germany, 144,000 in Iraq, in the Balkans, Afghanistan, Haiti and the Philippines. And if you talk to the American military commanders, especially the Army, they are overstretched; they are not finding enough reserves and National Guard. So there is a gap, even for the largest power, between it's personnel resources and it's political commitments. And when a gap like that opens up, it is dangerous.

Second, even the military strategic chessboard is becoming affected by the rise of Asia. I chiefly talk about this rise in an economic sense, but those who study the military dimension, point to the fact that as China and India's overall GDP rises, the amount of money they're putting into their defense forces is increasing quite fast. This doesn't mean that they are beginning to launch aircraft carriers like those of the US, but they are building very significant, what we call sea denial capacities; they are going to deny the capacity of the US Navy to come close to the shores of Asia with medium-range Intercontinental ballistic missiles, and sea-skimming missiles that will reach 2-300 miles out, undetectable by radar, and with ultra quiet diesel engine submarines. So now there are very few US Admirals that want to get close to the Chinese mainland; they are being denied--pushed further away. This is especially significant for Taiwan, but it is also significant for Korea.

Third, the larger and more powerful and formal visual American might is; the bigger the aircraft carriers and the larger the number of troop carriers, the more that America's enemies are driven towards a-symmetrical warfare. You don't' fight America head to head, it is not like Helm's Navy fighting the British Navy in the North Sea, you fight a-symmetrically. You go after American soft targets: embassies, businessmen, commercial aircraft, and tourists. You use terrorist networks and drugs; this is how you hurt America, because you cannot do so in conventional military form

The fourth area that puts a bit of a question mark over America's unequalled and omnipotent military power is the great surge of conflicts in the world which are not state or government conflicts, they are civil wars, collapsed states, societies that are broken down and calling for help. In Western Sudan, Liberia, and Sierra Leone, the American Military doesn't like to intervene in those kinds of wars, they like nice big wars where they can send their tanks in; they cannot send tanks into Sierra Leone. You need lowscale low- intensity fighting. It is messy and it doesn't provide quick results.

So in conclusion, even on the chessboard of the American military power; when we

measure it against the tasks it faces, there are limitations.

Moving from the military to the economic and technological chessboard, I think we would see an even more mixed picture. I forgot to mention that this year's pentagon budget, the budget for the US armed forces, will be equal in total to all of the defense budgets of all the other countries of the world. If you took the defense budgets of Japan, China, Russia, Britain, Italy, Israel, Saudi Arabia, and put them all together, it would not total the pentagon's defense budget. That's why people jump to the conclusion that militarily, the US is unequaled. As I have said, however, there are some weaknesses.

I move now to the economic dimension where we see a different balance. We would admit immediately that the US as a single nation is still the largest economy in the world. What percentage of total world product it has depends upon the forms of measuring. Lets say it has 22-25% of total world product. It has the lead in so many high technologies that it is the center of the global capital markets. It has the top 10-15 research universities and business schools. There is a very active and aggressive American business culture. It is a key actor in international financial organizations like the Bretton Woods Organization, the World Bank, International Monetary Fund, and Bank for International Settlements.

Once again, we cannot stop here. We must look at some other indicators that show the US is not supreme on this chessboard. First, there is the size of the European Union. Politically, we know the European Union is still divided with different visions on how integrated it becomes, and Mr. Chirac and Mr. Tony Blair simply do not agree with each other on a number of issues, that's true. There is a debate on how far you expound the European Union. But taken as a single commercial block, it is now quite a bit larger than the US itself. And there it acts as a unitary way; you might quarrel with the politics, but you do not quarrel with your position towards World Trade Organization and trade disputes. You can see Europe using its "heft", or its weight. Mr. Bill Gates discovered this two years ago when the European Trade Commission put a fine of 650 million dollars on Microsoft for illegal trading on sales in Europe, and even Microsoft had to go with its cap in its hand to Brussels and pay the fine. That's a different world than that of president Eisenhower's.

Two years ago the US administration under pressure from some senators and congressmen in whose constituencies there were steel manufacturing, put illegal tariffs

on steel imports into the US. Brazil, Korea and other countries protested, but it was only when the European Union protested and said "no", that brought a response. What did the European Union do? It didn't put counter tariffs on US steel, but said, "well, who are the leading US senators on the Senate Commerce Committee, and on the House Trading Committee, and what does their state export to Europe? We will put tariffs on California grapes, Vermont cheese, and Florida orange juice. We will hit you differently." Then the senators from those states became alarmed and they put pressure on the senators from the steel-producing states to back off and drop the tariffs. So here we see an equally strong contender on the commercial trading chessboard.

I might also mention that this European entity as you know is developing its own currency, though it isn't yet complete to all of the members. The euro is only shared by the core members, but it is becoming the second World Reserve Currency. For instance, many of the oil-producing nations in the Persian Gulf are selling their oil in euros not just dollars. The population of Europe is much larger now than that of the US at well over 400 million. Perhaps if you put Canada and Mexico in, maybe it would be about the same. Still, Europe is a larger market.

Also, there is the challenge that Americans are really puzzling about; the rise of Asia, and particularly the rise of China. Is this a good thing or a challenging thing? Some US companies like Boeing and Bechtel are making billions of dollars. Others are worried about the competition of Chinese goods, and increasingly, Chinese services. Of course services coming out of India are worrisome too, where the advantage of possessing the English language means that in south India now, hundreds of thousands of well-trained Indians are writing software programs and doing insurance settlement claims. I come from the state of Connecticut. Hartford Connecticut boasts to be the insurance capital of the world. But every night the car or house insurance claims paperwork is being sent to Bangalore, settled overnight and sent back. We are outsourcing the insurance industry, and even investment banking. Even companies like Merrill Lynch and American Express are setting up their offices not only in London, Paris, or Frankfurt, but also in Mumbai. And you can see the figures tipping; China's steadily becoming the largest exporting country in the world, and the third or fourth largest economy.

Last year in December before last Christmas, a strategy team at Goldman Sachs in London produced this long term projection about how 4 large populous countries in the development world, Brazil, Russia, India, China, it called them the BRICs, it looked at their long-term gross rates and compared them with US, Japan, Germany, Britain. And it said by the year 2050 China would be the number 1 economy. US would be number 2 but India would be catching up fast. And a long way behind would be Japan, Germany, and Britain. It would become a 3 horse race, so this is not a level chessboard according to the Goldman Sachs projections. Now a number of things can happen in 50 years, I don't need to tell professional economists and businessmen that. But you can see that a number of people are thinking that the economic and technological balances of power are shifting again as they have done for hundreds and hundreds of years. Right now we may be in the position that Great Britain was in the 1870-1880s, it was still number one, but the US and imperial Germany were catching up fast.

Then you have certain weaknesses in the American competitiveness, not weaknesses in research and development, research universities, or number of Nobel Prize winners, which it seems to produce, but weaknesses in the fiscal and trade areas. First we see the enormous American Federal Government deficits, which have just become wider in the past four years. This is partly because of the war in Iraq. You now notice that the US government publishes its deficit figures, but it has a small notice stating that it is not counting the war in Iraq and Afghanistan. This is of course the most stupid and insulting way of accounting. If you are a businessman and you are reporting to your shareholders, and you say, "these are last year's losses, but we are not counting the losses in the European market", your board of directors would fire you.

So the deficit is already big, you add to it the additional cost of 200 billion or more for the war in Iraq, and the cost of restoration after the hurricane Katrina, and you have the biggest national government deficits that have ever been seen in world history. Philip II of Spain and Louis XIV of France were very economical compared to President George Bush. And this is paid for by the vast trading surpluses that are earned chiefly by the Asian states; Korea to a certain extent, but in particular, China and Japan. Just last month, 80% of US treasury bonds floated on the market were purchased by Chinese banks and investment houses. Some of the writers at Business Week or Wall Street Journal tell us not to worry about it, that they have to buy US dollar bonds because there is nothing else they can purchases with their surpluses. But that is Business Week. All I can say as a historian of the rise and fall of the great powers is that when a great power becomes so dependant upon purchasing from other countries, it is steadily weakening itself and becoming dependant on decisions being made in other capital cities. This is not healthy, and many bankers as you know are getting scared stiff of the size of the Federal Government and trade deficits. You may have read in the East Asian Wall Street Journal that Mr. Paul Volcker said that a big crack up was coming soon, and that these deficits cannot be sustained. If Paul Volcker says that, then I believe it's time to pay attention. So on the economic chess board, the balance of power is not exclusively in America's hands, it's much more contested and there are some significant weaknesses, they are not impossible, but they need to be addressed. Since the people in the White House don't pay attention to this and continue to listen to the economic advisors who tell them not to worry, the weaknesses are not being dealt with

Now I move on to the third playing field by which American power has been measured. This is Professor Joseph Nye's notion of soft power. When he invented that term in his book 'Bound to Lead', he was convincing in stating that soft power was a way of influencing people to do things that America would like to be done. Soft power made you popular among a broader group of the foreign population. Soft power couldn't be measured in the way you measure the number of aircraft carriers, it was intangible, but it was there. And I believe that professor Nye's assumption was that soft power was another American strength. The power included the English language media communications, CNN, Internet, advertisements, and American multinational corporations. Also, at a different level, youth culture and power, blue jeans, Marlboro man, valley girls, MTV; all this made America attractive and recognized across the world. Of course he was comparing the US with the Soviet Union. If you think about it, it was a very easy comparison. Can any of you remember Mr. Breshnev's Soviet Union seeming very attractive and having a lot of soft power? Of course it didn't.

But soft power can be eroded and lost. You can weaken your soft power just as you can weaken your fiscal power. And I think only a few neo-conservatives in the US would deny that American political, diplomatic, and cultural influence has not been significantly diminished in the past few years. You may say that this is policy-oriented, that a large number of people say they still love America, but they don't like those guys in the white house, or they still like Americans, but they hate the neo-cons, or they disapprove of the policy in Iraq. They still go to Disney world but they disapprove of the US government's boycott of International Criminal Court, the Kyoto Protocol, and the International Convention on the Rights of Women and the Child; all of the arrogant unilateralist policies.

These are reducing the estimation of America in my mind and also in my children's

minds. They are growing up to think that America is an arrogant cowboy state. The PEW foundation in Philadelphia has for many years been conducting an international opinion poll on how people in 35-45 different countries all over the world rate the US. And in every one of the countries, the percentage of approval of American policy and even America itself has gone down. Think of the images we saw of the disaster in New Orleans after the hurricane Katrina tore that city apart; of the richer white Americans getting into their SUVs and driving away from the hurricane, leaving the poor black inner city Americans alone and destitute with American administration incapable of responding. This was a further body blow to the American image. It showed America as an unfair and racist society.

This can be recovered. Wise policies from the top, policies that are more multilateralsist, that work more with UN, that in diplomacy listen carefully to the South Korean government about the north; policies that listen to the concerns of the European nations, Caribbean nations, can be adjusted. But right now in terms of the playing field of influence, political attractiveness, and culture, I would say the US has weakened considerably.

So in summation, I would say if we took professor Joseph Nye's notion of three levels of measurement, the US relative to other countries of the world is decidedly the number one military power, but that doesn't mean that it doesn't have military and security challenges. At the level of economics and technology, it is now among perhaps two other equals, and is suffering greatly, potentially riding for big shock because of its federal and trading deficits. And at the third level that I just described, I will not repeat myself. I think the US today is in a state of unpopularity with so many public opinions across the world, that if you brought back to life Franklin Roosevelt or JFK, and you told them how unpopular America was in India, Italy, Germany, even in their ally Great Britain, Roosevelt and Kennedy would be astonished and would say, "how could this ever have been allowed to happen?"

So I therefore bring you a very mixed balance sheet of American power in the world today; it is enormous, but certainly not perfect. It is strong, but not without serious weaknesses.

Questions & Answers:

I don't know whether you caught yesterday's Financial Times with the column by Francis Fukuyama who mentioned similar subject matter of the Bush administration's foreign policy in which he mentioned hegemeon. He felt that one of the problems of the hegemony was competence. It has to be benevolent that the US claims but it also has a problem that is demonstrated in Iraq and New Orleans. There is the problem of the US hedgemon. He also mentioned something interesting about fairly widespread anti-American sentiment after the Iraq war. How would you view the fact that as you see the rise and fall in powers, as the power becomes eminent, there is almost inevitable feeling of jealousy and resentment from all other nations? So I wanted to ask you about the problems that the US faces today as it relates to the latent resentment of the people just by the force of the fact that the US was a hedgemon for a long time, and the fact that in their mind, the US competence as a hedgemon has declined.

A This is an important and good point. Is the number one country always going to be the subject of some envy just because it's number one? If you go to the monkey cage at a zoo, and sitting in the corner is a huge 500-pound gorilla, you are always nervous of it, perhaps envois of its strength, even if it is doing nothing. If the 500-pound gorilla starts to do bad things, you get even more nervous. But its sheer size alone causes you resentment. Imperial Rome was number one for 450 years. Did the ancient Britons and inhabitants of Spain really like that or did they just accept it? And when the first public opinion polls after American intervention in Iraq were produced in US newspapers showing that US popularity was going downhill, the neo conservatives gave precisely the argument that they will always be jealous because we are number one. If France was number we would all be jealous of them, it is human nature.

All I would say is that it seems to me that earlier American Presidents and administrations realized that their becoming number one by the end of World War II would make others automatically envious and concerned. And therefore, one of the tricks for the number one power was the politics of reassurance; You assure your smaller weaker friends and allies that you are not going to misuse your power, and you aren't going to behave irresponsibly. You assure them that you are going to create international organizations and instruments, which within your and other countries' powers can be contained by rules. You can see this in the instructions to the American delegations when they went to Barton Oaks, and Bretton Woods and San Francisco in 1944 and 1945. They were told to go find instruments and organizations, so the sheer

size of American raw power was disguised. I think Eisenhower and Kennedy felt this way. The present administrations' advisors do not think that way. Occasionally, they will use international instruments when they want a UN declaration against terrorism, but they won't use international machinery in such a way as to constrain their own power or freedom of power.

Q If you look a little into the future, it seems to me there may be a few self-correcting mechanisms as well. I think that a crucial factor when we're talking about declining American influence on the cultural, political, and ideological level has been this perception that the US is increasingly relying on military power and prioritizing of tools in the foreign policy area. I think this is probably the key to this erosion of support for the US in the world. I think domestically in the US, there is a growing concern about what the US has gotten into in Iraq. You talked about imperial overstretch, and I think there is a growing feeling that the US in something it cannot control. I think because of that, you are already beginning to see a weakening of the unilateralist tendencies even in the administration. Some of the strongest unilateralists have actually left the administration. And I think the political process in the US to a certain extent can regulate this phenomenon by itself.

My prediction is that maybe next time you will see a fairly strong reaction to what has happened. You will see a more balanced foreign policy in terms of weighing the different power tools in the future and that will in itself improve relations with the rest of the world.

A I couldn't agree more with you that we may be looking at a unilateralist moment, a large number of the neo conservatives I used to debate three or four years ago about the wisdom of going into Iraq, Iad Leutvack, and Michael Reuben who said, "it is easy, you just go in and take over Iraq, and then move to Syria and then you move to Iran". They had all the headlines; they didn't care about UN, or about world opinion, because they thought they couldn't do anything. Those neo conservatives are now really rather quiet. The critics are emerging, I personally think the senate should've been much more critical even three or four years ago, but they're beginning to creep out of their holes and offer criticisms.

We now know that the US military especially the army and marine core bitterly dislike Mr. Rumsfeld, for his so-called new restructuring policies of five years ago and for the overstretch. I don't know any American General who approves of Mr. Rumsfeld. So they are going back and their congressmen is listening to them. No US congressman wants to criticize the US Army or Marine Corps, but when the US Marine Corps comes back and criticizes the Pentagon, it's a different matter. Public opinion polls are swinging, the American losses in the field are rising, the cost is rising, the promises that this would be a fairly short campaign and that there would be these wiling Iraqi democratic leaders like Mr. Challabi just waiting like George Washington to take over control, have proven worthless,

And yes, I think there will be a swing of the pendulum. It seems that the swing must come back to the center, it swing back more extreme. Whether it can repair all the damage that was done, I don't know; I think it may take more time to repair the damage than it took to cause it. And in the eyes of many public opinions and governments, the next American administration will be, if you like, on prohibition. But there is no doubt that the reverse side of the growing dislike of American policies in the past few years has been to see better more liberal and international American policies, and if there's evidence of that, I think that PEW trusts polling results will show a turn towards greater approval and liking of the US in the world

Q I have been a reader of your books for many years and I very much admire your intellectual contribution to political science. I suppose your books are read in the centers of power also. I'd like to ask you a single question. If you were a policy maker, what would be the diplomatic implications of your assessment? If you were invited by your country to write a diplomatic agenda, an immediate diplomatic task for your foreign policy, could you summarize the two or three main tasks of your diplomacy? Another way to put my question is, do you believe in pure multilaterallism?

A that is a fair question, why? Because academics and people who write; I write every two weeks for the LA times syndicate and I can vent my arguments and frustrations, but I am not sitting in the seat of power and decision making. When you sit in those seats, you very quickly realize how many constraints are upon you; things aren't so simple when you go to the state department, as it is what you are writing your column at Harvard or Yale. So it's quite proper to ask what positive policies one may have, not just negative criticisms. It's a fair point.

I would say that I would instruct the American diplomatic service and the secretary of

state to work in a quiet reassuring way to let the other ambassadors and foreign ministries know that we do wish to be more cooperative, more multilateralist. The big policy statement from the White House, "oh mea culpa, mea maxima culpa, we were too unilateralist, now we're going to be team players", is rather silly and dramatic. However, to let the word out that in this complicated world we need to work more with our partners is another thing, because it sets the tone, and as you know from your professional career, diplomatic tone and political tone are very important.

Second, the National Security Council has to have a very hard look at the extent of the deployment of American power across the globe, and has to form some degree of prioritization. This is very tricky especially in Washington, because every top secret document in Washington is immediately leaked. So if you say terrorism is number one priority, number two is middle east oil, stability of Europe is number three, containing rogue states is number four, reassuring south Korea is number 11, then that will be immediately leaked and the Korean media will be very worried, and the Korean ambassador will be running to the state department. Nonetheless a careful assessment of which are the most significant placement strategic economic and political interests in the globe and which are not, and a corollary to that would be to try to identify areas which are not first-class interests to America, but nonetheless should be helped either by some of America's friends like the European union, or by international agencies.

It's very difficult to see that much of Africa is of great strategic significance to the US. Even if you say there are some rogue states or some Muslim cells, it is not. But that doesn't mean that Africa is a total wipe off, it is a diplomatic recognition that the European union can play a more knowledgeable and significant role than can the US, who should be in the second supporting position in this case. There should be an assessment as to how many air bases and supply bases the US really needs in central Asia. There should be a careful assessment of this Pentagon budget. The fact is that the large numbers of defense weapons items are not being ordered by the Pentagon but by the congressmen and senators in whose district the manufacturing plant exists. The US Marine Corps does not want the Osprey helicopter, but 5-6 powerful congressmen want them for jobs.

These sorts of assessments are quiet and I think there should be a reconsideration of the suspicious and negative policies of the US towards international protocols and treaties. There are two ways to handle newly emerging and negotiated protocols and treaties.

One of them is to be like Mr. John Bolton and say, "nonsense, stupid, they are against American interests". The other way is to be like someone else like Negro Ponte to say, "well, there are parts of this Kyoto Protocol, which are inconsistent and unfair. You are asking American industry to make certain sacrifices, but you are not asking the equivalent industries in India and China to make the same sacrifices. You are setting up standards for us, which are different than those you are setting for others. You are asking for a doubling or tripling of overseas aid for the 60 poorest countries, we can agree to that, but we can't agree to the money just being handed over to corrupt governments, so we will not sign this protocol about tripling foreign aid, unless there is a whole set of guarantees and monitoring. We won't agree to the demands made by the North Korean government on getting a light water reactor unless there is significant international technical supervision of what is going on." It is worth pointing out to the North Korean government that last year and the year before when Colonel Gadaffi decided to give up nuclear processing possibilities for his country, 6 months before he made the announcement public, he invited British Secret Service and the CIA; they were already confidentially working in all of the Libyan plants, so they could tell their governments, it's now clean.

So there are diplomatic and clever ways in which you send out the messages that you want to cooperate, that you're' not giving away American interests, but you're asking for sensible compromises. The American government itself makes sensible compromises in regard to allocations of grants to the UN population Fund, but it could be more sensible in isolating or distinguishing the issue of abortion per se, from giving monetary support to education programs for young girls and women in developing countries. So I would say that without blowing the trumpet and saying "we have recanted and are different, we are the good Americans again", you can by a series of signals and measures alter the atmosphere and tone, then you can see how relieved other nations will be, and they'll want to come work with you again instead of being critical. That's my belief.

Q You just mentioned North Korea. Consequently, I would like to bring the North Korean nuclear issue into your military power chessboard. Yesterday, China successfully launched the second manned space flight, and China now challenges the US military power status. Beijing, we had the 6 party talks and I believe that with the US and China, maybe the 6 party talks can produce the resolution for the North Korean nuclear standoff. My question is, if we succeed in attaining a nuclear free Korean

Peninsula, (I would like to ask your assessment on this possibility too), if China and North Korea wish the US forces to be withdrawn from the Korean Peninsula, what is the US response to this request? Second, the Taiwan issue is very critical in shaping up the bilateral US-China military and diplomatic relations; to what extent could the Taiwan issue be interrelated to the North Korean nuclear issues as well as Korea's unification road map?

A I hope the 6 party negotiations will continue and begin to make more progress. Winston Churchill once said, "jaw, jaw, not war, war", which means, talk, not war, and I believe in that. I would hope to see progress and see the regime in North Korea realize that it will get benefits, but it will have to also modify some of it's hard-line positions and demands, and we will be looking forward to intermediate diplomacy to persuade North Korea to be more tolerant. If the specific issue of the withdrawal of the US armed forces from the Peninsula of Korea becomes part of the package, then I think every trained diplomat could see that nobody is talking about the instant removal of all military installations and personnel.

There is no reason why there cannot be a certain calibration if this amount of progress is made on the nuclear inspection, and the North Korean forces are withdrawn or reduced in size from their proximity to the DMZ. And if certain other concessions are made, we will then produce a timetable for the not rushed, but steady diminution of American armed forces in the peninsula, and we will reserve the right to move back in there fast if the other side shows signs of breaking its side of the contract. This is the way two hostile sides have achieved a more stable relationship; you don't go for instant dramatic actions, but for call librated and measured actions. And I'm hopeful that something like that can happen.

Your second question is an altogether more difficult for me as well as for the US administration and virtually impossible for the Chinese government. Introduction of linkage between the nuclear issue on the Korean Peninsula and any prospect of a nuclear issue with regards to the future of Taiwan and Taiwanese PRC relations, that linkage will be resisted publicly as well as privately by Beijing, it is too much of a national sovereignty issue for them. The ongoing crisis going on in North Korea is an embarrassment on China's northeastern frontier, but it's not a nationality issue, and the attempt to link them, I think would complicate the North Korean negotiations rather than to assist them. I am not a great expert on the triangular relationship between China,

Taiwan and the two Koreas; I just suspect that if you introduce Taiwan, you introduce a big complication rather than assisting the possibility of compromise with North Korea.