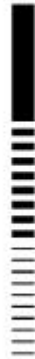


Translation



Auswärtiges Amt

Tasks of German foreign policy

EAST ASIA

JAPAN, SOUTH AND NORTH KOREA, MONGOLIA,
CHINA INCLUDING HONG KONG AND MACAO, TAIWAN

at the beginning of the 21st century

Federal Foreign Office

Berlin, May 2002

Asia at the beginning of the 21st century

It was often predicted in the closing years of the 20th century that the 21st would be Asia's century. That premise proved wrong, however, because no one could foresee the shockwaves precipitated by the Asian crisis of 1997/98 and the political turmoil in the wake of 11 September 2001, and also the resultant attempts by important countries in the region to find their strategic bearings in the new situation. That vision of an "Asian century" has given way to another certainty – that our main concern in the foreseeable future will be the globalization of political and economic opportunities and risks rather than the alternating hegemony of individual regions.

Nevertheless, the Asia-Pacific region, as the sum of its nations, its economies and cultures, its scientific and technological achievements and its market potential, has in recent years become a more prominent feature of our policy – though also as a rival and source of critical developments with possible worldwide consequences.

Regional and security policy developments in Asia are now having a greater impact on European foreign and security policy. Many of Asia's crises are significant factors in terms of supraregional security. During the long period of East – West bipolarity, Asia as a whole and its large subregions did not identify themselves unequivocally and permanently with either of the two politico-military blocs. At the most, some individual countries could be said to have done so. Consequently, it was not possible at the beginning of the nineties to predict that the ending of the East-West confrontation would have repercussions in Asia as intensive as those in Europe, or that in Asia, too, uncertainty would arise about the existing system. But that is precisely what has happened. The United States and Russia are in the process of re-assessing their positions, their political, geo-strategic and economic opportunities and risks in Asia, and fitting them into the perception of their global roles.

At the same time, Asia's key countries are gauging the changed parameters and adjusting their own positions as well as their regional and sometimes global interests in the light of new options and requirements. The region quickly, though perhaps only briefly, reacted to 11 September 2001 by reorienting themselves in the direction of Washington because it appeared to offer greater scope for the attainment of external goals, especially to China, Russia, Japan, India and Pakistan, than any attempt to sustain old strategic positions. Such processes do not follow a simple, straightforward course, nor can they be rushed. New alliances emerge, old ones become less significant or redefine their substance. At the same

time there is an increasing disparity of economic performance, growth in many countries in the region having expanded rapidly. This, coupled with sometimes abrupt, sometimes slow, political upheavals, has many consequences.

Corruption, other forms of white-collar crime as well as legal uncertainty, have become widespread throughout Asia. They are deterring investors and dividing the population more and more into small, increasingly rich, and huge, increasingly poor, sections (the Gini Coefficient, which indicates the disparity of incomes, is already greater in some parts of Asia than in the United States). Drug trafficking, migration problems and the involvement of socially disadvantaged people in extremist, some of them terrorist, movements like those emanating from Islamic fundamentalism, are likewise part of the picture.

Asia's demographic growth remains, with a few exceptions in East Asia, critical. (In less than a decade the Asian population has increased by roughly the size of that of the United States and Canada together.) This counteracts anti-poverty programmes, further depletes the region's resources and triggers refugee movements within Asia which push migration as far as Europe and America and thus become a global burden. Moreover, in those countries where economic growth is keeping pace with demographic trends, the demand for energy is increasing enormously. The repercussions on the world market, the environment and the climate can hardly be overestimated. In some Asian countries with energy-intensive industries greenhouse gas emissions will in the next few decades exceed those of western industrial countries. The Asia-Pacific region will also be most affected by the climatic consequences. The rising sea level, floods, storms and drought will impair economic development and result in migration. Continuing deforestation, too, is accelerating climate change. Access to drinking water differs considerably, even within individual countries such as China. Time and again, flood disasters occur in some parts of Asia, devastating droughts in others.

Where developments in Asia generate a global impact, that is to say directly affect our own interests, we must exercise our influence – nationally, within the EU framework, inter-regionally as in the Asia-Europe Meeting (ASEM), multilaterally through our participation in the G7/G8, and in the various international organizations, especially the United Nations. In order to do so, the German Government has to watch developments in Asia, grasp and assess regional, historic, ethnic, economic and social characteristics, and thus be able to represent our regional and bilateral interests effectively.

This outline of recent developments shows that the Asia-Pacific region still holds many opportunities for us, but also considerable tasks. This huge continent, which is home to well over half of the world's population, does not present those opportunities and tasks as a homo-

geneous whole but in the sum of very diverse countries, peoples, economies, political systems and cultures, natural wealth or the lack of it, and, determined by these factors, different levels of development. German foreign policy therefore needs a specific profile¹ for East Asia, South East Asia/Pacific, and South Asia which describes our interests in the region.

¹ Federal Ministries, acting within their remit and developing their own concepts and priorities and using the instruments and budget funds available to them, are together defining and giving substance to this programme, which is broken down into countries and subject areas.

The region of East Asia

Together with North America and Europe, East Asia, home to nearly 1.6 billion people, is the world's third economic growth area. While the countries of East Asia have developed in different ways, they have common religious and cultural traditions, such as Buddhism and Confucianism.

The economic and political development of Japan, the "little tigers", and most recently also of China, opens up the opportunity to the countries of the region to increasingly assume global responsibility, to play a part in shaping the fate of the international community and to contribute to the prosperity of their peoples. This opportunity is threatened by serious conflicts, however. East Asia has some of the largest armed forces in the world; its stability continues to depend on the USA and its 100,000 soldiers stationed there. Along with the nuclear power China other countries are in a position to produce nuclear and other weapons of mass destruction. China, and most recently also North Korea, have long-range delivery vehicles. Two of the world's last divided countries, China and Korea, are situated in the region.

Thus, it is essential for Germany's policy towards East Asia to be a cornerstone of the global foreign and security policy of Germany and the EU, if only because of the political and economic significance of the region and the risks emanating from it.

Japan is the Asian country with which we have long cultivated the most intensive political, economic and cultural relations. As G8 partners, we have common interests on the most important global issues. With a GDP of approx. US\$ 4,500 billion in 2001, and a per-capita GNP of US\$ 32,350, Japan is the world's second-largest economic power, is de facto the biggest contributor to the United Nations, a member of the G7/G8 and of the OECD, and our most important trading partner in Asia (bilateral trade in 2001: approx. EUR 35 billion). Japan is the USA's most important strategic partner in the region and has the largest military expenditure of any country in Asia.

The *People's Republic of China* is the world's most populous country (1.3 billion) and could become its biggest economy within the space of a few decades (GDP in 2001: US\$ 1,160 billion). With a per-capita GNP of US\$ 900,² however, it will remain a poor country for a long time to come. It has a permanent seat on the UN Security Council and has nuclear weapons. In terms of the size of its armed forces, China is the most powerful military power

² All figures on per-capita GNP are given in US\$, 1998 (World Bank Atlas 2000, except Taiwan)

in Asia. China is the largest recipient of German development aid. Our trade with China amounted to as much as nearly EUR 32 billion in 2001, and a further nearly EUR 6 billion with *Hong Kong* and *Macao* in the year 2000. After the USA and Japan, China is our most important non-European trading partner. There are more than 10,000 Chinese students currently studying in Germany, the largest single group of foreign students.

In *Taiwan*, the first democratic change of power took place in the year 2000. Its trade with Germany amounted to approx. EUR 9.7 billion in 2001 (with only 23 million inhabitants); GDP: US\$ 288 billion; per-capita GNP: approx. US\$ 12,941).

A functioning democracy has emerged in *South Korea*, the world's eleventh-largest economy. Our trade amounted to approx. US\$ 9.8 billion in the year 2000 (GDP: US\$: 457 billion; per-capita GNP: US\$ 9,600).

Ten years after the demise of the Soviet Union, *North Korea's* economic system has completely collapsed. Since the mid-nineties, it has been unable to feed its population (its per-capita GNP is extremely low; there is no reliable economic data). In the year 2000, Seoul's "Sunshine Policy" led to a gradual reconciliation between the South and North of the country. We established diplomatic relations with North Korea on 1 March 2001.

Mongolia is the world's most thinly-populated country (2.4 million inhabitants in an area 4.6 times the size of Germany); it receives the largest amount of German development aid per head (GDP: approx. US\$ 1 billion; per-capita GNP: approx. US\$ 400).

FOCAL POINTS OF GERMAN POLICY TOWARDS EAST ASIA

In line with the general principles of German foreign policy, Germany's policy towards East Asia should be constantly adapted to current developments in East Asia and in Germany as well as to the needs of individual countries and situations. It must also take account of EU policy, and be coordinated with our Atlantic and G8 partners. It concentrates on the following areas:

Democracy, the rule of law and human rights

Improving the human rights situation in *China* is a key concern in our endeavours to achieve the world-wide recognition of universal human rights. To this end, the Federal Government is engaging bilaterally and within the EU in a dialogue on human rights with the Chinese Government at expert level. Human rights issues are an important part of our political dialogue at Foreign Ministerial level, and in talks between the Commissioner for Human Rights and Chinese Government officials. The protection of minorities, especially in Tibet and Xinjiang, is an integral part of this human rights dialogue with the Chinese Government. The Federal Government and the Bundestag have on repeated occasions called upon the Chinese Government in all-party parliamentary resolutions to enter into a dialogue with the Dalai Lama with a view to granting Tibet substantial autonomy and ending the suppression of the Tibetan culture and religion. In his speech to the 58th Commission on Human Rights held in Geneva on 20 March 2002, Foreign Minister Fischer stated that the human rights situation in China continues to be critical, in spite of the release of political prisoners and China's increased willingness to cooperate with international human rights mechanisms. Among other things, he called for an end to the repression of members of Christian churches and other religious communities, an end to the suppression of ethnic minorities, the swift ratification, too, of the International Covenant on Civil and Political Rights and a moratorium on the death penalty, with a view to eventually abolishing it completely.

The agreement on cooperation and judicial exchange signed on 30 June 2000 in Berlin in the presence of Federal Chancellor Schröder and Prime Minister Zhu Rongji by the Federal Minister of Justice, Professor Däubler-Gmelin, and the Chinese Minister of Justice, Yang Jingyu, will form the basis of long-term cooperation in setting up and developing structures based on the rule of law. The ongoing development cooperation projects in the judicial field constitute part of this agreement. In June 2001, Germany and China agreed on a two-year

programme promoting legal cooperation, which provides for the implementation of joint projects in a wide variety of judicial fields.

Within the framework of our development cooperation, our aim is to highlight the stabilizing effect of political conduct based on human rights through projects agreed with China that take minority regions into special account, as well as other fields of cooperation. German business, too, can make an important contribution here through its corporate culture and through providing advanced training.

Germany does not maintain diplomatic relations with *Taiwan*, which now has a democratic constitution, on account of the One China Policy pursued by Germany along with all the other EU Member States. Germany is in favour of Beijing and Taipei coming to a peaceful resolution of all the issues of concern.

While *North Korea's* isolation makes it difficult to evaluate the human rights situation there, the general situation in the country and isolated eye-witness accounts give cause for very serious concern. One objective of establishing diplomatic relations on 1 March 2001 was to improve the possibilities open to us for obtaining information and gaining greater influence. Should the opportunity arise, we would advise and assist in the process of opening up and implementing the rule of law. First steps have been taken at EU level to enter into a dialogue on human rights with North Korea.

Japan, South Korea and Mongolia are democracies. Dialogue with Japan in the judicial field is particularly intensive and could serve as an example of how judicial relations could be developed, also institutionally, with other countries in the region. In the democracies Japan, South Korea and Mongolia, as in China and North Korea, we are continuing to advocate the abolition of the death penalty.

Peace and stability

Regional cooperative security structures are only now gradually emerging in East Asia. Germany is endeavouring to advocate confidence-building and détente in a dialogue on security policy and strategy by means of the following:

- broad dialogue on security policy and strategy, rooted in trustful and reciprocal cooperation in the field of military policy, including a discussion of arms control policy issues;

- support for multilateral approaches to cooperation (e.g. of the ASEAN Regional Forum – ARF) to improve security and confidence-building in the region, for example, on the basis of our experiences in the CSCE/OSCE.

With regard to *Japan*, we are aiming to maintain and further develop the existing long-tested, close network of bilateral relations.

Japan is our constant partner in the G8 and in the OECD. We have common interests, e.g. concerning United Nations reforms. An efficient network of consultation and cooperation mechanisms exists in the field of peace, disarmament and non-proliferation policy and for regional security in Asia and Europe. Major security policy issues continue to be missile defence, UN peace-keeping measures, cooperation in the Security Council, Japanese participation in the Stability Pact for the Balkans.

In their strategy paper "Germany and Japan in the 21st century – seven pillars of cooperation", a comprehensive account of the traditionally confidence-based bilateral cooperation and the foreign policy objectives pursued by the two sides, Foreign Ministers Fischer and Kono agreed upon joint projects in the year 2000. These include the G8's global policy tasks, cooperation within the framework of the Asia-Europe Meeting (ASEM), specific cooperation on environmental protection, intensified cooperation in science and technology and dialogue on social development issues.

One of our major foreign policy concerns is to integrate *China*, a country rapidly growing in political and economic significance, into the international community. It is essential to convince China that as a rising regional power and member of the Security Council, it bears increasing responsibility for world peace, for stability in the Asia-Pacific region and for global concerns, including a peaceful resolution of all the differences arising on the two sides of the *Taiwan Strait*.

We wish to promote this process through talks, which may be critical, by striving to encourage further opening up, fostering a willingness to cooperate and supporting transformation processes. Through our broad cooperation with China in the field of the rule of law, we wish to contribute towards firmly anchoring the principles of democracy, human rights, the protection of minorities (Tibet, Xinjiang) and the rule of law.

As we enter a new century, the *Korean peninsula* continues to be a flashpoint, as it has been for decades. Seoul's Sunshine Policy led to the first North-South Summit being held in 2000, giving grounds for cautious optimism. The years ahead may bring progress towards opening up and integrating *North Korea*. We wish to promote this process by cultivating diplomatic

relations with Pyongyang. It will continue to be necessary here to work intensively to influence the North Korean leadership on issues relating to the production, deployment and proliferation of weapons of mass destruction and missile technology. We will coordinate our efforts with our EU partners, Japan and the USA, and possibly also with China and Russia, with a view to contributing to a lasting peaceful solution.

We support the independent foreign policy of democratic *Mongolia*, which is sandwiched geopolitically between Russia and China.

Our economic interests

The Federal Government supports German business in making use of the opportunities offered by the huge growth potential in the region. It is just as important to penetrate the difficult but lucrative markets of Japan and South Korea as it is to develop our presence in a China which belongs to the WTO. In order to do so, we must maintain and constantly fine-tune the well-functioning infrastructure in place to promote German trade and business in East Asia. Economic success, and with it political success in this growth region, requires a long-term presence and systematically-developed, confidence-based networks. Major projects in East Asia continue to require political back-up. Work that elsewhere may be carried out exclusively by German Chambers of Commerce abroad here remains the remit of our foreign missions.

Japan is our most important economic partner in Asia: Our bilateral trade in 2000 amounted to more than EUR 35 billion. The progressive opening up of Japanese trade and investment markets as well as Japanese market deregulation are creating new opportunities, but German companies regard this process as not yet having gone far enough. Japan – the world's second-largest market – remains difficult, but lucrative. Its special structures continue to require intensive trade promotion (also by the Government), not only in the capital, Tokyo.

We must tackle Japan's continuing trade restrictions and competition-distorting practices bilaterally, in the EU's trade policy, in the WTO and in the OECD. Japan should soon become a focal area of our foreign trade fair policy, especially for consumer goods. The Japan Initiative by German business, which has led to many new Japanese-German contacts and meetings since it was set up within the Asia-Pacific Committee of German Business, will continue to provide impetus. Improved investment conditions in Germany have not gained sufficient recognition in Japan. As a result, Germany still needs to promote itself as a business

location in cooperation with the Federal Länder and Japan too is trying to attract foreign investment to overcome its structural crisis.

Both Germany and Japan are faced with problems arising from the fact that their societies are ageing. The dialogue on this problem between the two countries' governments, employers' associations and trade unions which began in 2000 should be continued and thematically extended.

Reciprocal business interests are one of the pillars of our relations with *China*, our third biggest trading partner outside Europe after the USA, just behind Japan (EUR 31.8 billion in 2001). China is already the world's biggest market for capital goods and infrastructure, and this is reflected by the position it enjoys in the global strategy of German firms. Their investments in China (approx. EUR 8 billion since 1978) are set to grow further.

This perspective led to the establishment in the 1990s of German Centres for Trade and Industry in Beijing and Shanghai as well as a German Chamber of Commerce in Beijing, which also serve as regional offices of the German Chamber of Commerce in China, which was set up in 1999. They help small and medium-sized enterprises to gain a foothold in the Chinese market. Preparations must be made in good time for the extra scope likely to result from China's entry to the WTO, deregulation and further privatization, not only by Chinese but also by German firms. The competition will be fierce.

Trade between Germany and *Taiwan* amounted to approx. EUR 9.7 billion in the year 2000, making Taiwan our third most important trading partner in Asia. We shall do everything we can to foster the commitment of German firms there, while adhering to our One China Policy.

After the slump of the Asian crisis, *South Korea's* renewed growth (close to 9 per cent in 2000) could soon return it to its former position as our third-largest trading partner in Asia. We must encourage it to finally open up its markets completely, including its automotive market, and not to contravene international trading standards, e.g. by price dumping in the ship-building industry.

Although there are indications that *North Korea* is opening up, it will be a long time before any substantial trade relations with the country will be possible.

German-*Mongolian* trade should be promoted, but the scope is limited.

The environment

On the basis of the Framework Convention on Climate Change (Kyoto Protocol, 1997), the Federal Government intends to cooperate with the countries of East Asia and to make them familiar with energy-saving techniques and technologies. In the future the Clean Development Mechanism (Kyoto Protocol), on the basis of which climate-protection projects between industrialized and developing countries can be implemented, will have an important role to play.

Among other things, the intergovernmental agreement with *Japan* (1997) provides for annual meetings between the two specialized ministries and for cooperation in the field of environmental protection (e.g. waste management, air pollution control and wastewater technology). Japan is also a major competitor for us on the international environmental protection market, particularly in China, India and South Korea.

In the nineties, we intensified our cooperation with *China* in the field of environmental protection. Many German companies are working with Chinese partners to resolve China's enormous environmental problems. Renewable energies, especially wind energy, as well as reforestation and the environmentally-sound modernization of power stations are important fields of government development cooperation. The impetus provided by the German-Chinese Environmental Conference in the year 2000 (focal areas: improved environmental legislation, efficient energy use and greater use of renewable energies) should now be swiftly implemented bilaterally, regionally (ASEM), and globally. Greater use should be made of the opportunities for transferring German environmental technologies to China as well as for cooperating in the field of environmental administration. As far as issues relating to the protection of the climate and of the natural resources essential for life on our planet are concerned, bilateral cooperation should dovetail with global cooperation, and China should be involved as an important partner of Germany.

South Korea has a great deal of catching up to do in terms of investing in environmental protection. Cooperation should be developed in an agreement between the specialized ministries. It is not yet possible to estimate the extent to which environmental rehabilitation tasks will be necessary in *North Korea*.

Development cooperation

Together with *Japan*, which contributes more than half of the total development aid going to Asia, we are the most important donor country in many Asian countries. We are therefore also in the process of intensifying our political and organizational cooperation with Tokyo in this area.

China is a focal country of our development cooperation. Subject to agreement with the Chinese Government, our future cooperation will largely be in the following areas:

- environmental policy, including water supply and waste disposal;
- support for economic reform and cooperation in establishing and developing a state based on the rule of law;
- infrastructural measures in the transport sector.

We are endeavouring to contribute to China's internal stability by means of projects benefiting ethnic minorities and/or reducing the huge imbalances in the level of development between the coastal regions and Western/Central China.

Whether, when and how development cooperation with *North Korea* will be possible will depend on how quickly the country opens up and which economic system it then adopts. The current system is fatally flawed.

Cooperation with *Mongolia* is focusing on maintaining its fragile ecological balance, which forms the basis of this largely agricultural and nomadic country.

Culture, science, universities, media

The cultural ties between Germany and East Asia are close and rich in tradition. Constant dialogue and an exchange of views on changes and developments will be necessary in order to extend them and pass them on to the next generation. Political and business circles have not yet fully recognized the potential of academic exchange. In East Asia in particular, cultural sympathies facilitate the process of getting to know each other and sharing our values. Our publicly funded cultural involvement in East Asia is mainly directed at multipliers and

opinion leaders in the political, economic and cultural spheres. We are increasingly reaching a wide audience through the media, particularly the Internet.

The network of contacts is to be strengthened and placed in the hands of civil society through encouraging and supporting bilateral friendship societies, town-twinning programmes and academic alumni organizations, such as the Alexander von Humboldt Foundation, the German Academic Exchange Service, and the Carl Duisberg Society, but also through music and other such societies. Our universities have recognized the significance of East Asia and attend the region's most important educational fairs with a view to attracting highly-qualified students to come to Germany. New courses with an international focus are very important here. The work of the Goethe-Institut Inter Nationes must be adapted to the demands of globalization and the opportunities of information technology, especially in the dynamic societies of East Asia. The image of Germany as a country of "classical culture" (music, literature) should be complemented by contemporary social, technical and economic aspects and should be made relevant to the young elites. It is crucial to use modern media and work with multipliers here (cultural management and education).

On the basis of the German-Japanese intergovernmental agreement on cooperation in science and technology, a close network of contacts with Japan has developed over a period spanning more than 25 years. National and other research institutes and state-run universities on the two sides are cooperating in many joint projects. More than 175 partnerships exist between German and Japanese institutes of higher education.

The German-Japanese Forum meets annually and makes recommendations to the two governments on how to further develop their bilateral relations. The Japanese-German Center Berlin (JDZB), established at the initiative of the Heads of Government, and the German-Japanese Cooperation Council for High Technology and the Environment (DJR), deal with a range of subjects, and are carrying out joint projects. Their events and cooperative activities provide industry, scientific institutions and the administration in both countries flexible fora to exchange knowledge and experience and to enter into practical cooperation.

Focal areas of cooperation with Japan in youth work are cultivating school partnerships, exchanging experts and cooperating in the fields of sport and music. The Junior Experts Programme targets young people working in science and high technology. Exchange with Japan in the field of science and education can be effectively promoted even without new programmes or funding by reciprocal opening up and removing red tape. The introduction of a "working holiday" visa in December 2000, for example, enables young Japanese and

Germans to finance up to a year's stay in the other country through holiday work without requiring a work permit. In the medium term, the rules on visas and work permits within the EU should be harmonized, especially for Japanese students.

China receives more funding from the German Academic Exchange Service's programme than any other country in Asia, and currently receives more in research scholarships from the Alexander von Humboldt Foundation than any other country in the world. More than 10,000 Chinese students were studying in Germany in the year 2000, making them the largest group (more than the number of students from Poland or France). While only about 30 per cent of Chinese students studying in the USA return to their home country, the proportion of those returning home from Germany is twice as large. Follow-up measures are therefore all the more valuable in maintaining lasting ties with Germany.

Germany engages in a wider range of cooperation with China in the field of science and technology than with any of its other East Asian partners. On the basis of an intergovernmental agreement on scientific and technological cooperation signed in 1978, nearly all German scientific organizations (e.g. the Max Planck Society, the German Research Foundation and the Fraunhofer Society) have concluded their own cooperation agreements, and actively engage in academic exchange, organizing a large number of academic symposia, workshops and joint projects. More than 220 cooperation projects exist between institutes of higher education, covering almost every scientific and technological discipline and serving to foster active encounters between scientists from the two countries. Germany's cooperation with China is also of significance for German science. The Max Planck Society has set up Max Planck partner groups in eight disciplines in collaboration with the Chinese Academy of Sciences. In addition, independent junior research groups of the Max Planck Society in Shanghai are carrying out bilateral research projects, particularly in the life sciences. Together with a Chinese partner organization, the German Research Foundation has set up a Sino-German Centre for Science Promotion, a focal point of German science in the Chinese capital since 2000.

There are currently approximately 50 partnerships between *Korean* and German universities. Just under 4,900 Koreans were studying in Germany at the end of the nineties. Korea is one of the focal countries of our promotion of the German language in Asia (with currently 470,000 pupils learning German and 13,000 students of German). However, interest in German as the second language after English is declining, with more Koreans learning Japanese and Chinese. To stop or reverse this trend may be difficult, but is worthwhile.

The EU and East Asia

Our policy towards the regions of East Asia influences the way the EU conducts its relations with this region. The EU links its promotion of trade and investment with enhanced political dialogue and projects in the field of cultural and social affairs. In so doing, its aim has at the same time always been to achieve enhanced collaboration among the cooperation partners themselves. The EU's relations with East Asia played an important role in overcoming the economic and fiscal crisis at the end of the nineties.

In September 2001, the fourth EU-China summit took place in Brussels. The EU is making a major contribution to economic and social reforms in China, while at the same time holding an intensive dialogue on human rights. The European Commission is pursuing a long-term strategy to develop relations between the EU and China on the basis of the guidelines approved in 1995. In 1998, the Commission specified the following focal areas of cooperation:

- engaging China further in the international community;
- supporting China's transition to an open society based upon the rule of law and the respect for human rights;
- integrating China further in the world economy;
- increasing Europe's financial commitment and raising the EU's profile in China;
- promoting environmentally friendly development and the careful treatment of nature and of resources;
- intensifying cultural exchange, inter alia by promoting young elites, further twinning programmes with the Federal Länder and cities, etc.;
- promoting regional stability through forms of cooperative security, arms control initiatives, and above all transparency and confidence building;
- combating international terrorism and international transborder crime (trafficking in drugs, human beings and arms, illegal migration).

In this connection, the Commission submitted an initial positive report in the year 2000. It has also drafted a Country Strategy Paper for cooperation in the period from 2001 to 2006, intended to subordinate future projects to medium-term objectives and to support political dialogue. The EU's focal areas – social affairs, the environment and human rights/justice – complement our bilateral projects.

ASEM is a special form of inter-regional cooperation, since it is not the European Union, but its Member States and the European Commission which each take part independently. The focus is on political dialogue (Heads of State and Government, Foreign Ministers). Cooperation in the fields of economic and fiscal policy, research and science and global issues (the environment, migration, international transborder crime) is already under way, and falls under the responsibility of specialized ministers. The Asia-Europe Foundation, created by the ASEM, initiates and coordinates contacts between important groups in civil society, educational exchange programmes and cultural activities.

Consular services

A central element of German foreign policy is to provide a service, both for Germans and for foreigners. The Federal Foreign Office will pursue its efforts to provide the best possible assistance within the restraints of its (financially limited) possibilities for German tourists and business travellers to East Asia. At the same time, it will ensure that East Asians wishing to travel to Germany receive the visas they need as quickly as possible. The system of visas and work permit regulations generally should be reviewed, particularly with *Japan*, with a view to examining whether it is still appropriate in the light of the level of bilateral relations that has been achieved. In recognition of the steady increase in bilateral tourism with *China*, Germany should be included among the countries China recognizes as tourist destinations.

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Summary: A profile of Germany's policy towards East Asia

Germany's policy towards East Asia aims to contribute to promoting and maintaining peace and prosperity in the region. It endeavours to do the following:

- to find a peaceful solution to conflicts of interest (North/South Korea, China/Taiwan, territorial issues in the South China Sea);
- to foster human rights, democracy and the rule of law (China, North Korea);
- to promote economic and political transformation processes, also in the interest of political stability (China, Mongolia, hopefully also in the future North Korea);
- to develop consultation and cooperation structures for the joint solution of global issues, bilaterally and within the context of the EU;

- to secure and promote our economic interests: to open up markets for goods and services, to create legal security and to protect German investments, to promote East Asian investments in Germany.

The Federal Government is participating in the efforts of the United Nations and other multilateral organizations such as the OSCE, WTO and OECD, and particularly of the European Union, towards reaching these objectives.

While ultimately these objectives can never be fully achieved, they have to be continually pursued, always adapted to current developments in East Asia and at home, as well as to the needs of individual countries and situations.