ACROSS THE GLOBE in the past year, conflict and crisis seem to be on the rise, from clashes in Ukraine to the prolonged humanitarian and military situation in Syria and Iraq. In Asia, the rivalry between China and Japan has intensified while tensions rise in the South China Sea over competing territorial claims. Behind this, unresolved disputes, stemming from the still-powerful legacy of wartime history in Asia, remain. Yet despite these developments, we have also seen remarkable moments of hope.

New leadership won elections in India and Indonesia, both pledging reform in two of the world’s largest democracies. The leaders of South Korea and Japan met for the first time since coming into office, joining the U.S. president for a trilateral summit. In September, China declared it would take firm action against climate change at the United Nations summit, a significant shift since the 2009 talks in Copenhagen.

Dialogue is the thread that unites these illustrations of hope. We see concerted efforts to resume and expand dialogue in Northeast Asia, from summits of leaders to interactions in civil society. In Southeast Asia, an emphasis remains on using regional organizations to prevent armed conflict. Shorenstein APARC sees the importance, in this context, of leading structured dialogues that can contribute to the tempering of friction through exchange of ideas.

In May, in cooperation with the Trilateral Cooperation Secretariat, Shorenstein APARC hosted a Track II dialogue that drew scholars and experts from Asia, Europe, and the United States to discuss pathways to reconcile competing historical narratives of World War II. The conference offered a supportive environment to discuss issues, fostering a network of professionals dedicated to peace and security efforts in Asia.

Similarly, a roundtable discussion examined competing claims in the South China Sea. Scholars analyzed the positions held by China and other regional actors, discussing ways to resolve differences short of conflict. The first Stanford–Sasakawa Peace Foundation New Channels Dialogue also took place this year, bringing experts together to consider energy challenges facing Japan and the United States. The Korea–U.S. West Coast Strategic Forum continued with its tenth and eleventh meetings with scholars and policymakers on security cooperation in Northeast Asia.

Along with its activities, Shorenstein APARC is also enlarging its base, welcoming two important new additions. Dr. Yong Suk Lee joins as the SK Center Fellow in the Korea Program, and Dr. Charlotte Lee as the associate director of the China Program. Both will expand our research agenda and activities.

While the future is unknown, we can certainly come to better understand the issues that will define the times ahead. From health concerns such as the Ebola outbreak to the still-present effects of Japan’s Fukushima disaster, these issues do not conform to borders nor are they likely to be solved individually. Cooperation is necessary, and this is where the Center’s research and outreach efforts fit in.

As one of the foremost U.S. research institutions on Asia-Pacific scholarship, Shorenstein APARC will continue its mission to help guide the United States and Asian nations on the challenges of societal transition and regional cooperation, as well as train students who will become tomorrow’s leaders.

Today, we recognize the crucial nature of conversation between governments, institutions, and civil society, and with your continued support and guidance, we look forward to deepening this dialogue.
IN MAY SHORENSTEIN APARC convened a Track II dialogue of academic experts from Asia, the United States, and Europe to examine World War II reconciliation in Asia. The event came at a time of heightened tensions among China, Japan, and South Korea over issues of territorial sovereignty and interpretation of history.

Held on a closed-door, confidential basis, the Stanford conference aimed to serve as a workshop with the goal of offering practical ideas to help resolve tensions.

“Each nation in Northeast Asia and even the United States has selective or divided memories of the past, and does not really understand the views of the other side,” said Gi-Wook Shin, director of Shorenstein APARC. “A balanced historical education with a better understanding of the perspective of the other side is urgently needed.”

The two-day conference drew a multitude of scholars and professionals with expertise in law, history, education, and foreign affairs, including key members of past official history dialogues between Japan and China, and Japan and South Korea. Participants also included former U.S. officials with long experience in conflict resolution, including Stanford’s Karl Eikenberry, a former envoy to Afghanistan, and Kathleen Stephens, a former U.S. ambassador to South Korea (2008–11) and the 2013–14 Koret Fellow in Korean Studies.

Because WWII reconciliation in Europe has been largely successful, scholars from that continent were an important part of the Stanford talks. In particular, Germany has engaged in robust history textbook revisions and exchanges with other countries. “Reconciliation will also benefit the United States, which has huge interests in the region,” Shin said.

The conference was cosponsored by the Trilateral Cooperation Secretariat (TCS), an international organization established by the governments of China, Japan, and the Republic of Korea to promote peace and prosperity among the three countries. TCS representatives attended the event as observers and participated in their personal capacities.

Shorenstein APARC has long been a leader in efforts to research, report, and recommend pathways to reconcile disagreements rooted in historical memory in Asia. Shin and Daniel Sneider, the associate director for research at Shorenstein APARC, have led a multi-year effort to examine divided memories, including the publication of two books (with two more forthcoming), and supplementary curriculum materials for high school students that comparatively examine textbook descriptions of World War II across East Asia.

The conference led to the production of a report, which includes a set of forward-looking recommendations intended to inform civil society, researchers, and governments. A few of the major recommendations include:
• CREATE SUPPLEMENTARY TEACHING MATERIALS
Supplementary curricula could highlight how the WWII period is treated in Chinese, Japanese, South Korean, and American textbooks. An alternative approach would be to focus on two or three thorny WWII themes, such as the Nanjing massacre, the atomic bombing of Japanese cities, and forced labor.

• LAUNCH HISTORY DIALOGUES
Ongoing conversations among Asian, American, and European historians could highlight specific WWII events or contentious issues. A dialogue like the one held at Stanford could be broadened into an international setting with more European participation.

• OFFER EDUCATIONAL FORUMS
Public and open educational forums could be held so historians could offer various perspectives on WWII issues to journalists, policymakers, and students.

• CONDUCT MUSEUM EXCHANGES
A dialogue among museum professionals in Asia and even the United States and Europe could create historically accurate narratives for those museums dealing with reconciliation issues. One idea would be to create a model museum wholly dedicated to WWII reconciliation in Asia.

• INCREASE STUDENT EXCHANGES
Large-scale middle and high school student exchanges among the youth of China, Japan, and South Korea could build educational and cultural bridges between these nations.

Governments and civil society can work together to bring about the necessary push toward reconciliation, and peace and prosperity in Asia. Political leadership and the media can also play a potentially significant role, the participants agreed.

“Our further hope is that this will be an ongoing process, building on previous efforts at bilateral dialogue on history issues that will go beyond the initial meeting,” Shin said.

The rise of nationalism among youth in China, Japan, and South Korea can lead to dangerous situations. “Dialogue among youth of the different nations is needed, along with an appreciation for the diversity of views and the complexity of history,” Shin said.

The report can be downloaded from the Shorenstein APARC website at: http://stanford.io/1sw2S27.

Adapted from an article written by Clifton B. Parker for the Stanford News Service.
THE JAPAN PROGRAM launched a two-year project in 2013 to foster renewed dialogue between scholars, policymakers, and business leaders in the United States and Japan. Through a grant from the Sasakawa Peace Foundation, a non-profit organization that fosters cooperation between the two countries, a bilateral dialogue was created to instill lasting ties between the United States and Japan.

Hideichi Okada, a former senior advisor at the NTT Data Institute of Management and Consulting and vice minister for international affairs at Japan’s Ministry of Economy, Trade and Industry, joined Shorenstein APARC as the Sasakawa Peace Fellow for 2013–14. He played a leading role in organizing the two-day conference, entitled “New Challenges Dialogue: Reinvigorating U.S.-Japan Relations.”

The first of two planned conferences took place in February 2014 at Stanford and focused on the challenges and opportunities of energy and nuclear policy. Both Japan and the United States have seen dramatic change in their energy markets. Key issues addressed include shale gas and smart grid technology developments in the United States, and challenges for nuclear energy in Japan following the Fukushima Daiichi disaster of 2011.

Many participants were Stanford University faculty members, including Takeo Hoshi, director of the Japan Program at Shorenstein APARC, Phillip Y. Lipsy, the Thomas Rohlen Center Fellow, and Frank Wolak, director of the Program on Energy and Sustainable Development at FSI, forging an important nexus of people across campus dedicated to improving the U.S.-Japan relationship and tackling twenty-first-century energy problems.

“With rapid economic growth in emerging countries, world energy consumption has been and will be increasing; everyone has been wondering if there are enough energy resources for this growth,” said Okada, highlighting shared concerns between Japan and the United States.

The United States and Japan share historical connections, national interests, and an increasing demand for energy solutions, suggesting the two countries would be well-suited to pursue further partnerships, like ones similar to a renewable energy project just formed in Maui, Hawaii.

Conference participants had the opportunity to network among a substantial array of contacts working on the cutting edge of energy products and policy, and gain a firsthand look at business operations during a site visit to Bloom Energy, a fuel cell technology company in Sunnyvale, California.
The U.S. Rebalance to Asia

“The question is whether we can prevent bad things, not only specific conflicts, but the political tensions and politics that make cooperation on major issues very, very difficult at best.”

Kenneth Lieberthal speaking on U.S.–China relations at this year’s Oksenberg Lecture.

THE OBAMA ADMINISTRATION’S policy of “rebalance” toward Asia, which began in 2009, seems increasingly under stress as analysts question American staying power in the region. Especially in recent months, China’s relations with the region and the United States have become visibly strained, bringing the U.S. rebalance policy into question.

Kenneth Lieberthal, Senior Fellow in Foreign Policy and Global Economy and Development at The Brookings Institution, explored these themes when he delivered the annual Oksenberg Lecture in June at Shorenstein APARC. He cautioned the audience that the future of U.S.-China relations is one of concern over security and risk of conflict in Northeast Asia.

“At a geostrategic level, we seem to be sliding with increasing speed toward an inflection point in U.S.-China relations,” Lieberthal said at the Bechtel Conference Center.

He was joined by an expert panel of China scholars including Cui Liru of the China Institutes of Contemporary International Relations; Stanford’s Karl Eikenberry, a Shorenstein Distinguished Fellow; Thomas Fingar, the Oksenberg-Rohlen Distinguished Fellow; and Jean C. Oi, the director of the China Program.

Lieberthal said tense relations between the United States and China is certainly not a new phenomenon. Most notably, the friction manifested in 1989 when China cracked down on democratization protests, and in 2008, in response to the global financial crisis. However, the speed and scale of China’s growth and its assertive actions in the East and South China Seas have created new suspicions and mistrust.

But refusing to work with each other would only aggravate the divide, Lieberthal said. The governments of China and the United States must make greater efforts to manage and mitigate tensions. He offered a few steps that the two countries could take to help sort out their disputes, including the need for strong determination on the part of political leadership and use of clear, consistent vocabulary when discussing issues.

The annual Oksenberg Lecture is a dialogue that functions as a policy workshop on U.S.-Asia relations, named in honor of late professor and senior fellow Michel Oksenberg (1938–2001). Oksenberg, a China specialist, served as a senior member of the National Security Council and was a driving force behind the normalization of U.S.-China relations in the late 1970s.
The magnitude of tasks that must be accomplished to achieve South Korean leadership of the North Korea problem requires a restructuring of the way the ROK government deals with North Korea.”

Shin, Straub, and Lee, from “Tailored Engagement”

China’s Ambitious Urbanization Plan

Scholars convened at the Stanford Center at Peking University (SCPKU) in May for “Challenges in the Process of Urbanization: China in Comparative Perspective.” A joint effort between Shorenstein APARC’s China Program and Asia Health Policy Program, together with China’s National Development and Reform Commission, the conference aimed to compare China’s urbanization experience to those in other countries.

“Urbanization is a very complex process, in China and beyond, so the conference was designed to be accessible to a wide range of contributors,” said Karen Eggleston. “By locating the conference at SCPKU, we were able to bring experts together centrally in Beijing.”

Scholars with diverse expertise examined how China plans to implement its National New-type Urbanization Plan (2014–20), a state-led strategy that lays out ambitious targets for growth, and how to address many interrelated issues — from changes in social dynamics to the effects of labor migration. What key institutional and governance challenges will China face in reaching those goals? What might China learn from urbanization experiences of different countries such as India, Japan, and the United States?

Discussions were led by Eggleston, along with China Program director Jean C. Oi, Scott Rozelle, co-director of the Rural Action Education Program, and Xueguang Zhou, a sociologist and senior fellow at FSI, in addition to many guests from universities across Asia and Europe, as well as students from in and around Beijing.

Two book projects with the conference’s findings are slated for publication in 2015.

Engagement as a Path Toward Inter-Korean Reconciliation

During the past year, North–South Korean relations have worsened. Meanwhile, growing mistrust between the United States and China is making it unlikely that the two countries can cooperate to change North Korea’s behavior.

Given this context, South Korea is the only country today that may be both willing and able to try a new approach toward addressing the worsening situation on the Korean Peninsula, according to a major study conducted by Gi-Wook Shin, David Straub, and Joyce Lee (Korea Program research associate).

Their new report, “Tailored Engagement,” reflects a year’s worth of research activities focused on security in Northeast Asia. The authors propose a process that involves a series of increased exchanges with North Korea, conducted in a principled way. The approach is based largely on expanding domestic consensus in South Korea. That consensus would be based on the conviction that that South Korean engagement with the North is necessary, and is not incompatible with maintaining pressure on the North to abandon its pursuit of nuclear weapons.

In September 2014 the authors presented the report before the Special Committee on Inter-
Korean Relations, Exchange and Cooperation of the South Korean National Assembly in Seoul, and later at The Brookings Institution in Washington, DC.

The report recommends four main steps that South Korea can implement to reduce the risk of regional conflict, while creating a foundation for the goal of peaceful unification with North Korea. The recommendations include focusing on the pursuit of mutual interests and benefits, not symbolism and nationalism; applying market principles and international standards in economic activities; collaborating with other countries; and pursuing complementary engagement at both the state-to-state and grassroots levels.

**Negotiated Transitions in International Organizations**

Since the end of World War II, the international system has undergone an unprecedented transformation. Interactions among states are now increasingly organized and mediated by international organizations such as the United Nations, International Monetary Fund, and World Bank. At the same time, in aggregate, interstate military conflict, military spending, and military personnel have all declined due to factors such as nuclear deterrence, economic interdependence, and mutual democracy.

Center Fellow Phillip Lipscy’s recent research examines how international power struggles are settled through negotiated transitions in international organizations. The research has profound implications for the future of the international system and the maintenance of peace in the Asia-Pacific region. In a global order characterized by increasing institutionalization and declining militarization, is it possible that peaceful, negotiated settlements will come to replace recurrent wars as a means to manage the rise and fall of Great Powers?

One important finding of Lipscy’s research is that some international organizations are more malleable to change — some predictably adjust to underlying power transitions, while others do not. A key reason is whether competition is present — some policy problems are resolved more effectively by a single organization. In such cases, dissatisfied states have less scope to create alternative institutions or walk out, limiting their leverage. This dynamic has created critical bottlenecks in the international system — e.g., in the United Nations Security Council or the IMF — where dissatisfaction is building without a clear path for resolution. These bottlenecks limit the scope for international organizations to serve as an alternative for more traditional means of settling interstate disputes.
“With some careful and creative work from the academy, and some prudent diplomacy, and some visionary political leadership from both sides of the Pacific, and perhaps just a little bit of luck as well, we can in fact navigate a future without significant implosion.”

Kevin Rudd, former Australian prime minister and Senior Fellow at the Belfer Center for Science and International Affairs at Harvard University, speaking at the Asia-Pacific Leaders Forum.

Burma’s Democracy: How Real?

Myanmar’s recent steps from military rule to democracy made headlines across the world. Many hailed it as a “success story” in the region. A panel of experts gathered at Stanford in March to discuss the country’s reforms, and challenges that journalists still face as a free press emerges.

The event was part of the 2013 Shorenstein Journalism Award ceremonies that honored Aung Zaw, the founding editor of The Irrawaddy, a newsmagazine based in Yangon, Myanmar. Zaw was a student activist against the military dictatorship of General Ne Win and was subsequently exiled in neighboring Thailand for more than 25 years. While there, he founded the publication.

Zaw pointed out that the image of Myanmar’s rapid reform does not actually match reality. “What we see now is serious backsliding,” he said. “The changes have become more superficial,” and warned outside observers not to assume the country is on an easy, upward trajectory. Human rights and corruption are still major concerns, and journalism is needed to shed light on those truths, he said.

The Shorenstein Journalism Award honors the legacy of Walter H. Shorenstein and his passion for Asia and the press, including his belief in the vital nature of a free press for the future relations of Asia and the United States.

Shorenstein APARC believes that it is vital to promote a free and vibrant media. Moreover, as we have seen recently in many countries, a free press, not only in its traditional forms of print and broadcast but now also via the Internet and new avenues of social media, remains the essential catalyst for the growth of democratic freedom.

The award alternates annually between distinguished Asian and Western journalists who defend media freedoms while explaining the complexities of Asia to outsiders. The award’s jury members include Ian Buruma (Bard College), Nayan Chanda (Yale Center for the Study of Globalization), Susan Chira (New York Times), and Orville Schell (Asia Society).

Constructing New Rules for U.S.-China Relations

The Honorable Kevin Rudd, former Australian prime minister (2007 to 2010, 2013), visited Shorenstein APARC in April to deliver a keynote address on U.S.-China relations. The event was part of the Asia-Pacific Leaders Forum, a series that convenes senior policymakers, business executives, and other experts to share their experiences and vision on critical issues facing Asia and the United States.

“The future use of Chinese power, either inside or outside the international rules-based system, that is either used multilaterally or unilaterally, is the critical question which both president Xi Jinping and [Barack] Obama must address for the future,” he said.

A noted scholar on Chinese relations, Rudd said that maintaining U.S.-China relations requires
much more attention from each country’s administration, and can be improved by a shared approach of building “new rules of the road.” He said the two nations can collaborate on their approaches to global public goods, such as climate change and cybersecurity.

By focusing on smaller, more manageable projects first, China and the United States can build trust and common ground, which can provide impetus to expand dialogue on greater, regional security issues. Rudd also suggested that there is potential in expanding the East Asia Summit, a strategic forum with eighteen members currently, into a wider Asia-Pacific community.

**Students Examine the Sino-Japanese Rivalry**

China and Japan have held a historic rivalry that is again at the forefront for scholars and policymakers who analyze the region. Chief among concerns are clashes over territorial sovereignty and issues of interpretations of World War II history. A seminar series focused on the Sino-Japanese rivalry was held in spring 2014, hosting much-needed dialogue on the issues affecting the two countries.

Why does the past continue to shape the present relationship between the two Asian powers? And can China and Japan build a new, more forward-looking relationship?

Those questions were explored during the series that brought Ezra F. Vogel, the Henry Ford II Professor of Social Sciences Emeritus (Harvard University); Jessica Chen Weiss, an assistant professor of political science (Yale University); Richard C. Bush III, a senior fellow (Brookings Institution); and Peter Duus, the William H. Bonsall Professor of Japanese History (Stanford University).

Closing out the seminar series, Dr. Vogel, a renowned scholar of East Asian history, spoke to a filled room at Shorenstein APARC. He said the disputes over wartime history are largely to blame for the increasing friction in Northeast Asia. Biased education on the wartime era and media misinformation are key factors behind the public’s formation of historical memory and ensuing strong antagonisms between the two countries. “I tend to be optimistic,” Vogel said, “but I honestly don’t see any short-term solutions; I think we’re in a period now where the issues are going to be very tough.” He recommended that the Japanese should try harder to give a fair representation of World War II, and the Chinese should discontinue proliferation of anti-Japanese propaganda.
“Any realistic approach to dealing with North Korea must take into account the deep and complex historical roots of the problem, which necessitate a policy that is principled, patient, and persistent.”

Shin, Straub, and Lee, from “Tailored Engagement”

SHORENSTEIN APARC has an active publishing program to disseminate its research, and through which its scholars seek to advance understanding of the Asia-Pacific region.

Together with Stanford University Press, the Center produces “Studies of the Walter H. Shorenstein Asia-Pacific Research Center,” a monograph series that includes the varied work of the Center’s faculty, researchers, and fellows.

Shorenstein APARC publishes its own peer-reviewed books, which are distributed by the Brookings Institution Press. These titles feature cutting-edge topics that are policy-relevant in both the United States and Asia.

Center faculty and researchers also publish extensively in peer-reviewed academic journals, through scholarly and trade presses, and are frequently asked to comment in the media on events and issues affecting Asia.

A list of Center publications is available at http://aparc.fsi.stanford.edu/publications.
The ASIA HEALTH POLICY PROGRAM promotes a comparative understanding of health and health policy in the Asia-Pacific through research, collaboration with scholars throughout the region, a colloquium series on health and demographic change, and conferences and publications on comparative health policy topics.

FEATURED PROGRAM ACTIVITIES
In 2013–14, the Asia Health Policy Program expanded research collaborations across the region, hosted a colloquium series on health policy and demographic change in the Asia-Pacific, and sponsored two postdoctoral fellows: Gendengarjaa Baigalimaa studied the impact of Mongolia’s National Cervical Cancer Program; Margaret Triyana studied the effects of Indonesia’s conditional cash transfer program on prenatal care.

Along with China’s National Development and Reform Commission, the Program invited leading scholars and experts to the Stanford Center at Peking University to examine urbanization, a process that is dramatically shaping the Asia-Pacific region. The conference offered a forum for multidisciplinary, policy-oriented discussion using China as a principal case study.

Program director Karen Eggleston testified about China’s health system before the U.S.-China Economic and Security Review Commission, and spoke on Asian demographic trends at the Jackson Hole Symposium, where featured speakers included the chair of the U.S. Federal Reserve and the head of the Bank of Japan.

In addition, the Program released working papers examining treatment of newborns in Japan, adolescent health in South Korea, and health policy reforms in China.

SELECT COLLOQUIA, 2013–14
“Advancing Science to Reduce Premature Mortality Worldwide: India’s Million Death Study” Prabhat Jha
“Region-based v. Distance-based Information in Emergency Health Risk Communication: Evidence from the Fukushima Daiichi Nuclear Disaster” Hiroaki Matsuura
“NHI Reform in Taiwan: Recent Developments” Jui-fen Rachel Lu
“Information, Development, and Life-course Smoking Patterns in Mainland China and Taiwan over 50 Years” Dean R. Lillard
“Supplier-induced Demand in Newborn Treatment: Evidence from Japan” Hitoshi Shigeoka
“Overcoming Health Challenges Facing Mongolia: Medical and Entrepreneurial Perspectives” Gendengarjaa Baigalimaa
“The Effects of Indonesia’s Conditional Cash Transfer Program” Margaret Triyana
“Air Pollution and Short-Term Mortality in Beijing” Shuang Zhang

The photo above: At the urbanization conference in Beijing, Director Karen Eggleston (r) and Indrani Gupta (Indian Institute of Economic Growth) each spoke on demographic change’s effects on health care. CREDIT: XIAO YU
"Xi Jinping is one of the most omnipresent leaders since Mao Zedong, personally leading reforms in the economy, national security, and the rule of law. Clearly change is in the making. The question is whether reforms will conflict with each other and yield unintended consequences."

Jean C. Oi, Director, China Program

The CHINA PROGRAM is a university-wide initiative to facilitate multidisciplinary, social science–oriented research on contemporary China, with a dual emphasis on basic and policy-relevant research. The Program recognizes the singular importance of training new generations of Stanford students for broader and deeper interactions with China.

The Program spearheaded the creation of the Stanford Center at Peking University (SCPKU), a unique platform in China for all of Stanford’s seven schools. SCPKU will foster new synergies and further promote interdisciplinary approaches and insights. As a core program in the Beijing center, the Program will leverage new opportunities toward its goal to establish Stanford as the leading U.S. center for the study of contemporary China.

FEATURED PROGRAM ACTIVITIES

The China Program continued its focus on the large-scale challenges presented by China’s growing urban population. Together with the Asia Health Policy Program and in partnership with the Academy of Macro-Economic Research at China’s National Development and Reform Commission, in May the China Program organized a conference to examine the intersection of urbanization, demographic change, public welfare, and economic productivity. This conference generated themes and research papers for an edited volume on comparative challenges in urbanization.

The Program’s headline colloquium for the year was “China Under Xi Jinping.” This series brought leading scholars together to help untangle the 3rd Plenum reforms and shed light on where Xi Jinping is taking China, with topics ranging from China’s military and aerospace development, to implications for state-owned enterprises. Featured speakers included China specialists from varying backgrounds, such as Benjamin Liebman, Columbia Law School; Nicholas R. Lardy, Peterson Institute for International Economics; Carl Walter, former CEO of JPMorgan, China; Ching Kwan Lee, UCLA; Andrew Erickson, Harvard University’s Fairbank Center; and Cui Liru, China Institutes of Contemporary International Relations.

The Oksenberg Lecture featured Kenneth Lieberthal, senior fellow in Foreign Policy and Global Economy and Development at Brookings, who examined the objectives and implications of the “rebalance” to Asia and what it means for the United States, China, and U.S.-China relations. Following the keynote, Karl Eikenberry, Shorenstein APARC Distinguished Fellow, former U.S. ambassador to Afghanistan and retired U.S. Army Lt. General; Cui Liru, China Institutes of Contemporary International Relations; Thomas Fingar, Oksenberg-Rohlen Distinguished Fellow at FSI; and Jean C. Oi, director of the China Program, gave extensive commentary, which resulted in a frank and wide-ranging discussion.

PHOTO ABOVE: China Program director Jean C. Oi speaks on urbanization at the Stanford Center at Peking University.
CREDIT: XIAO YU
 Established in 1982 to introduce Asia-based fellows to American life and institutions, the CORPORATE AFFILIATES VISITING FELLOWS PROGRAM is Shorenstein APARC’s longest-running program. Its 400+ alumni now occupy distinguished positions in the government and private sectors in Japan, China, Korea, and India.

FEATURED PROGRAM ACTIVITIES

The Visiting Fellows Program enables organizations that have joined the Center as corporate affiliates to nominate personnel to spend one academic year at Shorenstein APARC. Visiting fellows study and conduct relevant research on the Stanford University campus during their stay. The program is ideal for mid-career managers who wish to deepen their knowledge of topics relevant to their work. In addition to broadening their views through interaction with world-class scholars, visiting fellows can network with managers from different countries and corporations. Shorenstein APARC also benefits from the presence of the visiting fellows: their practical experience and international perspective inform the intellectual exchange at the Center and at Stanford.

Visiting fellows participate in a structured program that includes creating an individual research project, auditing classes, attending exclusive seminars, and visiting local companies and institutions.

The ability to understand and communicate in English at an intermediate/advanced level is required.

VISITING FELLOWS, 2013–14

Huihong Cai, Industrial and Commercial Bank of China
Il Rae Cho, Samsung Life Insurance
Tetsuo Ishii, Mitsubishi Electric
Kensuke Itoh, Sumitomo Corporation
Yong Je Kim, Samsung Electronics
Katsunori Komeda, Sumitomo Corporation
Yun Bae Lim, Samsung Life Insurance
Chunquan Liu, Beijing Petrochemical Engineering Company
Guangmu Liu, PetroChina
Tejas Mehta, Reliance Life Sciences
Satoshi Ogawa, Japan Patent Office
Jong Soo Paek, Samsung Electronics
Toshihiko Takeda, Shizuoka Prefectural Government
Keiichi Uruga, Ministry of Economy, Trade & Industry, Japan
Tun Wang, Industrial and Commercial Bank of China
Wei Wang, Industrial and Commercial Bank of China
Kenji Yanada, Ministry of Finance, Japan
Xiaoyu Zhang, PetroChina

CORPORATE AFFILIATES HONOR ROLL:

PARTICIPATION FIVE YEARS AND ABOVE

Corporate Affiliate organizations maintain long-standing relationships with Shorenstein APARC. The Center deeply values their commitment and support, and recognizes those affiliates that have participated in this important program for five or more consecutive years.

Japan Patent Office
Ministry of Economy, Trade, and Industry, Japan
Ministry of Finance, Japan
Mitsubishi Electric
Reliance Industries, Ltd., India
Shizuoka Prefectural Government, Japan
Sumitomo Corporation, Japan

PHOTO ABOVE: Members of the 2013–14 class of Corporate Affiliates Visiting Fellows.
CREDIT: ROD SEARCEY
“The Abe administration seems determined to embark on economic reforms. Many Japanese leaders also feel that this is the right time to step up on their efforts to revive Japan’s economic vigor in time for the Tokyo Olympics in 2020.”

Takeo Hoshi, Director, Japan Program

The JAPAN PROGRAM is dedicated to Japan-related social science-oriented research with policy relevance. The Program engages in international and interdisciplinary research, publications, conferences, and public colloquia with distinguished guest speakers. It collaborates with the Stanford U.S.-Asia Technology Management Center and other centers around campus in research and teaching.

FEATURED PROGRAM ACTIVITIES

The Japan Program welcomed a wide-ranging group of leading scholars and opinion leaders as part of its 2013–14 continuing Japan Colloquium series. Several events focused on “Abenomics,” the policy package championed by Prime Minister Shinzō Abe that has brought renewed global attention to Japan’s political economy. Experts evaluated the effectiveness of the policy package during the first year of the Abe administration and discussed the key components needed to bring sustainable growth to Japan.

In February 2014 the Japan Program held the “Energy Challenges and Opportunities for the United States and Japan” conference, part of the multi-year Stanford–Sasakawa Peace Foundation New Channels Dialogue project. The project’s inaugural year heralded Hideichi Okada — currently vice president at NEC — as the first Sasakawa Peace Fellow and one who played a leading role in organizing the dialogue. At the event scholars, policymakers, and business leaders from Japan and the United States analyzed energy innovation and built new bilateral endeavors.

In late July, the Japan Program welcomed governors from six Japanese prefectures (Fukuoka, Hiroshima, Oita, Okayama, Saga, and Shizuoka) for a conference at Stanford promoting bilateral economic collaboration between the United States and Japan. Part of the U.S.-Japan Council’s Governors’ Meeting, the event included a presentation by FSI director Mariano-Florentino Cuéllar along with Elizabeth Gardner, director of the Stanford International Policy Implementation Laboratory; a keynote by Dennis Boyle, a founding member of the design and consulting firm IDEO; and a panel discussion with all six governors.

The Stanford Summer Juku on Japanese Political Economy, inaugurated in summer 2013, this year welcomed scholars of political science and economics for its second annual meeting in August. Juku, a term most commonly associated with modern Japanese cram schools, here actually refers to the end of the Edo period, when private schools attracted young, motivated students and ended up producing many leaders of the Meiji Restoration. The Program’s juku seeks to attract young scholars — future leaders in the study of Japan — and provide an opportunity for them to discuss research project ideas in an environment with ample time for exchanging information and supplying feedback.
The Korea Program focuses on multidisciplinary, social science–oriented, collaborative research on policy-relevant topics on Korea. The Program offers courses, hosts seminars, sponsors workshops and conferences, conducts research projects, supports fellowships, and collaborates with visiting scholars working on Korean issues. The Korea Program also works closely with Stanford’s Center for East Asian Studies (CEAS), which offers a master’s degree in East Asian studies with a specialty in Korea.

FEATURED PROGRAM ACTIVITIES
The Korea Program continued to deepen its institutional strengths in multidisciplinary, collaborative research on policy-relevant topics on Korea as well as in education and outreach. The Program added three ongoing projects to its core research areas. One examines diversity issues and challenges in Korea and Asia; a second analyzes the role that global talent plays in linking Asia and the United States; and the third seeks to understand the domestic and global implications of North Korea’s political, economic, and social conditions. The theme of the sixth annual Koret conference, held in February at Stanford, was how to engage North Korea while maintaining pressure on Pyongyang to abandon nuclear weapons and improve its human rights situation. More than a dozen seminars were offered to the public during the year, including four lectures in the newly established Koret Distinguished Lecture Series.

In collaboration with the Center for East Asian Studies (CEAS), the Korea Program sponsored six public lectures on Korean history, culture, and literature; also in association with CEAS, the second annual Korean Studies Writing Prize was awarded to a Stanford student writing on the 1935 conflict between Presbyterian missionaries and the Japanese government over Shinto shrine worship. Collaborating with the Stanford Program on International and Cross-Cultural Education (SPICE), the Program continued to expand its educational outreach to U.S. secondary school teachers and students by developing additional curriculum units on Korea, convening an annual teacher training conference, and offering distance-learning online courses for high school students throughout the country.

The Korea Program published a major policy paper, “Tailored Engagement: Toward Effective and Sustainable Inter-Korean Relations,” which resulted from the sixth Koret conference, and co-authors Gi-Wook Shin and David Straub presented their study at a hearing in the Korean National Assembly. Other publications include two reports from the eleventh and twelfth sessions of the Korea-U.S. West Coast Strategic Forum; a working paper: “People with Disabilities in a Changing North Korea”; and the edited volume New Challenges for Maturing Democracies in Korea and Taiwan, in collaboration with the Center on Democracy, Development, and the Rule of Law.

PHOTO ABOVE: A Hana Academy Seoul student introduces an American high school teacher to the jing. CREDIT: ROD SEARCEY
“More than a trillion dollars worth of U.S. trade annually crosses the South China Sea. That economic interest alone warrants American concern for China’s intentions there.”

Donald K. Emmerson, Director, Southeast Asia Program

The SOUTHEAST ASIA PROGRAM seeks to undertake and encourage innovative research and publication on contemporary Southeast Asian issues and conditions. The Program works to stimulate fresh perspectives on the policy implications of regional events and trends; to create opportunities for scholars and other professionals to discuss, refine, and write up their ideas; and to help Stanford University students learn more about Southeast Asia.

FEATURED PROGRAM ACTIVITIES

The Southeast Asia Program in 2013–14 focused on the region’s dynamic interactions with China and the complex disputes that continue to churn the South China Sea. An historian used the past to explain how Beijing now views its southern maritime frontier. An Indonesian scholar assessed the “China threat” to his country. A panel of Stanford experts discussed whether China might declare an “air defense” zone over the South China Sea. Other speakers compared how actors in Silicon Valley and Washington, DC, view Southeast Asia’s relations with China and reviewed the mixed performance of China’s auto industry in the region. Still others addressed the effects of decentralization on poverty alleviation in Indonesia and the roles of class and culture in conflicts between labor and management in Vietnam. Program-supported meetings and presentations also included a conference on Southeast Asia organized by the student-led Southeast Asian Service Leadership Network and panels to evaluate progress toward a Trans-Pacific Partnership and an ASEAN Community.

The Program also reached out to partners and audiences overseas. Especially noteworthy were several events involving Chinese analysts. In October 2013 the Program’s director spoke on U.S.-China maritime relations and engaged Chinese colleagues at an international symposium on the disputes over the South China Sea hosted by Chinese analysts on Hainan island at the northwestern edge of that body of water. Contacts made on that occasion enabled the Program to convene a U.S.-China roundtable on the South China Sea at Stanford in July 2014. Its relaxed, not-for-attribution format allowed experts from China and the United States to discuss their divergent perspectives on the claims to overlapping parts of the maritime heart of Southeast Asia. These encounters helped the Program prepare for two upcoming events in fall 2014: a workshop in Beijing on U.S.-China maritime issues and an international naval conference panel in Vancouver featuring analysts from China and Malaysia. Scholarship is not diplomacy, nor should it be. But one can hope that the Program’s maritime focus during the year did in some measure enhance mutual awareness and thus, however modestly, reduce the danger of escalation.

PHOTO ABOVE: Chinese and American scholars discuss the South China Sea at a roundtable hosted by the Southeast Asia Program at Stanford in July 2014. Credit: Debbie Warren
“The regime has carefully manipulated . . . international [public] opinion in trying to open the doors to the international community.”

Exiled Burmese journalist Aung Zaw, recipient of the 2013 Shorenstein Journalism Award.
Supporting Shorenstein APARC

Shorenstein APARC’s mission to promote deeper understanding of the Asia-Pacific would not be possible without its valued friends and supporters. Shorenstein APARC relies on gifts and grants, as well as corporate sponsorships, to support its varied research, publishing, and outreach goals. The need for these commitments increases as the Asia-Pacific’s economics, politics, and culture play a central role on the global stage.

HONOR ROLL: LIFETIME CONTRIBUTIONS TO SHORENSTEIN APARC Shorenstein APARC gratefully acknowledges those listed below for their support with contributions totaling $100,000 or more since the inception of the Freeman Spogli Institute for International Studies, of which the Center is a part.

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$1,000,000 AND ABOVE
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Morgan Stanley
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$10,000 TO $50,000
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FRIENDS OF SHORENSTEIN APARC: Shorenstein APARC gratefully acknowledges the following benefactors for their support between September 1, 2013, and August 31, 2014.

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$100 TO $10,000
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BUILDING FOR THE FUTURE

Shorenstein APARC could not carry out its activities—building ties with Asia, engaging established and emerging scholars, informing policymakers, and educating students and the public—without vital financial support from its friends and partners. Recent funding has allowed the Center to extend valuable programming and to develop exciting new ventures, such as the annual Stanford Kyoto Trans-Asian Dialogue, established in 2009.

Many donors engage actively with Shorenstein APARC. They attend the Center’s many lectures and conferences; strengthen its network of contacts, often leading to new opportunities; and offer valuable perspective on key initiatives.

Shorenstein APARC offers a variety of giving opportunities to seed developing research, advance existing projects, and to fund innovative new ventures. The Center encourages individuals, corporations, and government and nonprofit organizations to contribute to its important mission and intellectual life. Gifts from Shorenstein APARC donors help to underwrite the vital activities:

- Faculty recruitment
- Graduate student research and teaching
- Undergraduate fieldwork
- Fellowships open to international scholars, students, and practitioners
- Support for visiting scholars
- New program development
- Interdisciplinary faculty appointments

In addition, the Center runs a vibrant Corporate Affiliates Visiting Fellows Program, which is available for companies interested in expanding their networks of connections with Asian and U.S. counterparts.

EVERY GIFT MAKES A DIFFERENCE

To become a friend of Shorenstein APARC, please contact Neil Penick, associate director for development, at 650-723-8681, or npenick@stanford.edu. Your contribution will help to support crucial programs and secure the Center’s ability to respond to research proposals addressing emerging issues in the Asia-Pacific region. Gifts to Shorenstein APARC are tax-deductible under applicable rules. Shorenstein APARC and its parent organization, the Freeman Spogli Institute for International Studies, are part of Stanford University’s tax-exempt status as a Section 501(c) (3) public charity.

For information on joining Shorenstein APARC as a corporate affiliate, please contact Denise Masumoto, manager of corporate relations, at 650-725-2706, or masumoto@stanford.edu.
Financial Information

Below is an overview of Shorenstein APARC’s revenue and expenses for fiscal year 2012–13 (the most recent figures available).

### REVENUE

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>%</th>
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<tbody>
<tr>
<td>Endowment Payouts</td>
<td>$2,353,058</td>
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<td>Gifts</td>
<td>576,941</td>
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<td>Grants</td>
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<td>Income</td>
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<td>Interdepartmental Unit (transfer in)</td>
<td>1,127,647</td>
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<tr>
<td>External Department Support (transfer out)</td>
<td>(99,316)</td>
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<td><strong>Net Revenue:</strong></td>
<td><strong>$4,636,485</strong></td>
<td><strong>100%</strong></td>
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### EXPENSES

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<th>Category</th>
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<td>Computer and Telecommunications</td>
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<td>Conferences, Workshops and Travel</td>
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<td>Faculty, Research, and Administrative Staff Salaries</td>
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<td>Fringe Benefits</td>
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<td>Indirect Costs</td>
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<td>Postdoctoral Scholars and Visiting Scholars</td>
<td>385,206</td>
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<td>Research Materials, Acquisitions, and Other Research Expenses</td>
<td>416,104</td>
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<tr>
<td>Student Support</td>
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<tr>
<td><strong>Net Expenses:</strong></td>
<td><strong>$5,354,410</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Mission

The Walter H. Shorenstein Asia-Pacific Research Center (Shorenstein APARC) is a unique Stanford University institution dedicated to the interdisciplinary study of contemporary Asia. Shorenstein APARC’s mission is:

• to produce and publish outstanding interdisciplinary Asia-Pacific–focused research;
• to educate students, scholars, and corporate and governmental affiliates;
• to promote constructive interaction to influence U.S. policy toward the Asia-Pacific;
• to guide Asian nations on key issues of societal transition, development, U.S.-Asia relations, and regional cooperation.