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A View from Asia: Re-energizing US Regional Engagement

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IN 2011, THE United States announced a strategy of “pivoting” to Asia, which it later rebranded as a “rebalancing.” This was driven by the recognition that East Asia is shifting to become the global economy’s most dynamic driver of growth, as well as by the fact that the region has taken strides toward building a more mature security and economic architecture. However, doubts continue to persist in East Asia regarding the seriousness of US political leadership and whether the United States is really committed to the region for the long term. These concerns are fuelled by crises popping up in other regions that demand US attention, accusations that the rebalancing is just an effort to contain a rising China, and confusion regarding the concrete goals of the rebalance. Consequently, Japan and many other East Asian countries are hoping that the United States will continue to deepen its engagement in the region, even as it goes through a political transition at home.

In fact, the United States faces an important window of opportunity between now and the key year of 2020. The eyes of the world will be cast toward Japan that year as it hosts the Tokyo Olympic Games and seeks to demonstrate that it has revitalized its economy

and overcome the March 2011 triple disaster. China has also set 2020 as the target year to double its GDP per capita from 2010 levels. The region is undergoing a fundamental shift in its balance of power and, without the right cooperation and management, tensions and confrontational postures risk becoming entrenched. Thus it is imperative to consolidate regional stability in the lead-up to this seminal year.

Next year’s 70th anniversary of the end of World War II gives the United States and Japan an opportunity to kick-start the type of renewed and intensified cooperation that is needed to establish a sustainable regional order as we look ahead to 2020. But to be successful, such cooperation requires a shift in thinking among US leaders about the American role in East Asia—from viewing the United States as merely an “offshore balancer” or “economic partner,” to conceiving of it more as a “resident political power.”

The Changing Nature of US Power

One reason that so many question US leadership in Asia is the changing nature of American power. Of course, in absolute terms the United States is both a military and economic superpower. Also, the US

ability to remain on the cutting edge of innovation is promising for the continuance of its global leadership role. This includes its leading edge in the IT sector and in the shale gas revolution, as well as US-led developments in renewable energy technologies.

At the same time, however, we must face up to the reality that a number of factors have diminished the relative influence of the United States. Its share of global GDP has declined as emerging economies such as China and India have made impressive gains. US defense spending has come under pressure in the wake of the costly wars in Afghanistan and Iraq and as a result of the budget sequestration. Perhaps most critically, the hyperpartisan and divisive political environment in Washington has resulted in political gridlock on key issues including foreign policy.

Naturally, these shortcomings should be seen in the context of recent history. The unilateral foreign policy of the Bush administration generated a high level of discontent even among US allies, but President Obama has made a good impression both by emphasizing a foreign and security policy framework underpinned by multilateral cooperation as well as by raising the threshold for resorting to the use of force. In a sense, the rise of the new emerging economies in East Asia—a positive-sum development that provides new opportunities for everyone active in the region to share in prosperity—should also be seen as a sign of the success of US-led efforts to underpin regional stability. These factors, juxtaposed against the rapid changes underway in the region, make the desire for US leadership stronger than ever.

The US as a Resident Power

Nonetheless, deep anxiety persists regarding the long-term commitment of the United States to Asia. This has been fuelled in particular by the current demands on US global leadership in Ukraine and the Middle East, which have overshadowed Asia policy, as well as uncertainty about what the long-term US vision for the region will be once the United States has managed to carry out its “rebalance.”

Militarily, the United States has long been engaged with Asia, most prominently through its alliances

with Japan and South Korea, which enable the forward deployment of US troops to the region. More recently, the United States has also strengthened its alliances with Australia and the Philippines, establishing agreements for US troops to rotate through those countries’ military facilities. It has also expanded cooperation with Singapore to allow for the stationing of US Navy vessels. This US presence underpins the stability on which the region’s economic prosperity has been built.

Economically, the United States has also been engaged with Asia as a founding member of APEC since 1989, through its ever-deepening trade and investment relations with countries across the region, and more recently through the Trans-Pacific Partnership (TPP) negotiations to further strengthen cross-Pacific economic ties into the future.

However, in terms of political leadership, while the United States has expanded its engagement in the region by joining the East Asia Summit, the ADMM+ [ASEAN Defense Ministers’ Meeting Plus], and other ASEAN-related multilateral forums, it still appears to operate with the mindset of an offshore balancer rather than a resident power. In other words, despite weighty rhetoric about its role in Asia, the United States seems to look upon regional leadership as optional rather than as a core national interest. Political polarization and pockets of strongly protectionist politicians in the United States have undermined US action in Asia, making it look as though it is not fully committed to the region. For instance, the October 2013 US government shutdown that forced President Obama to stay home and send Secretary of State John Kerry in his place to the APEC and East Asia Summit leaders’ meetings was interpreted by many as a sign of the limits on US engagement in the region.

Also, crucially, Asian anxieties are further complicated by uncertainties surrounding the rise of China. China has become more assertive in recent years, as manifested most prominently in its tensions with ASEAN countries over the South China Sea and with Japan in the East China Sea. Tensions were further fueled when China unilaterally declared an Air Defense Identification Zone in November 2013—without any

prior consultation and covering Japan's territory in the Senkaku Islands.

Since Xi Jinping took the reins as president of China, he has spoken of a "Chinese dream" and called for "national rejuvenation" on the domestic front while also advancing the concept of a "new model of great power relations" with the United States as the country's top foreign policy priority. The form that such a new model would take is still unclear, but China's recent maneuvering seems to show that it is increasingly intent on establishing spheres of influence in Asia Pacific, dividing the region in a way that pushes the United States to respect China's core interests. If this is what China means by a "new model," then it is a risky proposition because by promoting the idea that the Pacific is large enough to divide up with the United States, China may be seeking to entrench an exclusionary approach to regionalism that posits the United States as an outside power. This risk is further evinced by China's recent establishment of the Asian Infrastructure Investment Bank and its push to establish an all-Asian security mechanism through the Xiangshan Forum. Unfortunately, the US and Japanese responses to this assertive Chinese diplomacy have been unimaginatively reactive, reflecting both countries' lack of a long-term strategy.

What Asia Wants

In the face of the changing nature of US power, the succession of global crises, the rise of China, and the region's shifting balance of power, maintaining the shared regional stability and prosperity that East Asia has come to enjoy in the postwar era will require that the United States make good on President Obama's call for multilateral cooperation in shaping the region. In particular, it is critical that the United States and Japan develop a clear joint strategy to intensify cooperation on three key elements: (1) forging a common regional approach to China, (2) establishing a trilateral US-China-Japan confidence-building mechanism, and (3) shifting the US mindset toward the concept of itself as a resident power in East Asia.

First, the United States, Japan, and other East Asian countries should consult more closely on their overall

regional strategy in order to forge a common approach to China, one that seeks cooperation with China to take advantage of the mutual economic benefits its rapidly growing economy presents. At the same time, however, it is also important to guard against unpredictable Chinese behavior, and especially against the danger that factions in China's leadership may foment regional instability for domestic political reasons. This common regional approach should engage with China in a manner that will bring about the latter's realization that unilateral changes to the status quo will undermine its regional relations and that economic growth founded in mutually consultative international cooperation is the best path forward both for China's national interest and for the sake of regional stability and prosperity.

Second, in addition to a common approach to China, it is imperative that confidence between the United States and Japan on the one hand and China on the other be deepened. As a first step to improving confidence, a trilateral US-China-Japan confidence-building mechanism should be established focusing on military confidence. Trilateral discussions at the highest levels of the People's Liberation Army, Japan Self-Defense Forces, and US Armed Forces should be pursued to regularize consultations and avoid unilateral surprises. (As an immediate step, negotiations between Japan and China for an emergency hotline to manage contingencies and prevent accidental conflict in the East China Sea should be vigorously pursued.)

Economically, both the United States and Japan should be cognizant of the need to keep the door open to China's future entry into the TPP and should plan for complementarity between the TPP and the Regional Comprehensive Economic Partnership in such a way that they may eventually be merged. The United States, Japan, China, and others should pay particular attention to opportunities to expand energy cooperation, which could provide a significant economic boon for the region that in turn could help to mitigate underlying tensions in the East China Sea and elsewhere. For instance, the three nations could pursue energy cooperation through

the East Asia Summit, focusing on joint exploration and development, environmental protection, nuclear safety, and transport-related issues including freedom of navigation.

Third, a change is needed in the domestic mindset in the United States whereby it can comfortably conceive of itself as a resident political, military, and economic power in East Asia. Trans-Atlantic relations have always held a greater sense of familiarity, especially as it was the early European settlers who established the current US political system. But trans-Pacific sentiment has taken more time to develop, perhaps because Asia may feel more exotic and distant to many in the American public. Nonetheless, as Asian-Americans from a diverse range of diaspora communities—Chinese-Americans, Indian-Americans, Korean-Americans, and others—are taking on increasingly prominent positions within American society, and as economic linkages between the United States and Asia continue to deepen, there seems to be a growing receptivity to Asia in the United States. But to accelerate this process for the sake of intensified cooperation, the United States government and private companies trading with and investing in Asia

will need to devote greater attention and resources to enhancing cultural and linguistic understanding of Asia within their human resource pools.

The United States has successfully reinforced Asian stability in the postwar era, enabling the blossoming of the region's dynamic economic growth. But the changing nature of US power, demands for US leadership in other regions, and the rise of China and the shifting balance of power now necessitate a new style of US leadership anchored in multilateral cooperation. The United States would do irreparable harm to its own interests—and to those of its allies and friends—if it were to become distracted at this critical juncture. This makes it even more important for the United States to allay Asian fears over its long-term commitment to the region by expanding and deepening cooperation and shifting its mindset to that of a resident power.

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East Asia Insights is an occasional newsletter focusing on East Asia community building from the Japanese perspective.

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