

Understanding and Preserving the Foundations of America's Advantage in Asia

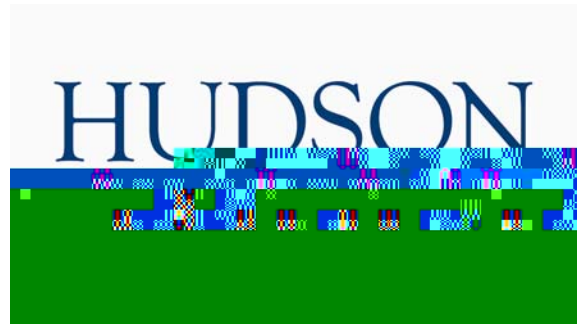
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September 2009

Hudson Institute

1015 15th Street, N.W.

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Introduction

In May 2009, Australia released its long awaited *Defense White Paper*.¹ Criticized in some parts as a confused and unclear document,² it was nevertheless upfront in arguing that the rise of China in particular during this 'Asia Pacific century' marked the beginning of the end of the so called

Part A of the paper looks at the foundations of US dominance in Asia and argues that the beginning of the end of American strategic primacy in Asia is commonly asserted but usually poor

As Michael Green reminded me at the time of writing this paper, predictions in the media, by analysts and academics, and by officialdom, of the decline of American power and influence in Asia is nothing new; and past predictions have come and gone.⁶ For example, after the US failure in Vietnam and subsequent withdrawal in 1973, it was widely argued that the Soviet Union would replace the US as the preeminent power in Asia. In the 1980s, many saw Japan replacing America as the imminent leader in Asia. In fact, Paul Kennedy's *The Rise and Fall of Great Powers* which predicted imminent American decline (and resulting curtailment of its influence in Asia) due to 'imperial overstretch' was the most widely read and lauded geopolitical book in America and Asia in that decade. It was virtually required reading for all aspiring geo strategists in Beijing well into the mid 1990s. Even in the late 1990s, Robert Sutter points out that many experts and media commentators focused on the rise of Chinese trade and Asian investment in China, as well as successes in Chinese bilateral and multilateral diplomacy in the region, in the aftermath of the 1997 1998 Asian Financial Crisis. As Sutter observes, many commentators concluded that:

"These Chinese strengths coincided with weaknesses in U.S. standing in the region in terms of image and diplomacy in particular. This basic equation of Chinese strengths and U.S. weaknesses became standard fare in mainstream Asian and Western media. It was the focus of findings of many books and reports of government departments, international study groups, and think tanks, authored often by respected officials and specialists. The common prediction was that Asia

⁶ Michael Green was the special assistant to President George W. Bush for national security affairs and the senior director for Asian affairs in the National Security Council from 2004 2005.

was adjusting to an emerging China centered order and U.S. influence was in decline.”⁷

Predictions of American decline of both power and influence, especially in Asia, are back in force. This is understandable and this time many declinists say it is different. After all, more great powers are rising in Asia over the next few decades than in any other re

its period of domination is at an end and that the 'Asian century' has arrived.⁹ Paul Kennedy has again predicted that America is the big loser, repackaging his previous thesis to accommodate the current global financial crisis, arguing that "the global tectonic shifts towards Asia... seem hard to reverse."¹⁰ Others such as Joshua Kurlantzick have written about the rise of Chinese 'soft power' overriding that of America's in the region.¹¹ Significantly, the US National Intelligence Council's *Global Trends 2025* report, after surveying the viewpoints of experts around the world, argued that "the unipolar world is over" or "it certainly will be by 2025." Replacing it will be a multipolar system whereby China and India will join the US to compete for influence in the region and the world.¹²

Asia's unique security hierarchy

Although a number of commentators (including myself) has express doubts as to whether the economy of China in particular can continue to grow as rapidly into the future as it has done since reforms in 1978,¹³ it is nevertheless prudent to assume that China (and eventually India) will become an increasingly important presence in the region. Talk about the rise of China and India, as well as the relative decline of the US, lead many commentators to reflexively assume that we are moving from a period of American hegemony toward a state of multipolarity; that is, a configuration characterized by the existence of several roughly equal powers keeping each other in check. But

⁹ Kishore Mahbubani, "The case against the West: America and Europe in the Asian century," 87:3, May/June 2008.

¹⁰ Paul Kennedy, "American Power is on the Wane," , 14 January 2009.

¹¹ Joshua Kurlantzick, (New Haven: Yale University Press, 2008.)

¹² National Intelligence Council, (Washington: NIC, 2008).

¹³ See John Lee, (2nd edition) (Sydney: Centre for Independent Studies, 2009.)

even if the US in entering a period of relative decline, the pre existing

to the US naval base in Guam, cooperation with the Philippines remains critical to US naval projection while India is fast becoming a genuine strategic partner in terms of naval cooperation.

The fact that the US navy depends heavily on bases in other sovereign states in Asia means that 'base rights' are always subject to the domestic governments of the host country; meaning that they are subject to domestic politics of that host country. In particular, Asian partners and its population expect the US Navy to play a dual role. Asia has more rising and prosperous littoral states than anywhere else in the world. In peacetime, the US navy is expected to guarantee the safe and orderly passage of sea based economic activity. This includes protection against 'asymmetric' threats ~~economic~~ ^{economic} ~~U S h i n t h~~ ^{U S h i n t h} ~~Th ega~~ ^{Th ega} ~~A~~ ^A ~~Th qi i b vge n~~ ^{Th qi i b vge n}

South Korea, the Philippines, Australia and Thailand. It closely coordinates military to military relationships with countries such as Singapore, Malaysia and Indonesia to provide security in critical waterways such as the Straits of Malacca and to coordinate efforts against terrorism and other transnational crimes. USPACOM even hosts senior military exchanges with counterparts from Vietnam and Cambodia. Its healthy relationship with Asia states means that the US navy makes around 700 port visits throughout the Pacific each year.¹⁷

In a provocatively titled article, “How we would fight China?”, Robert Kaplan approvingly referred to USPACOM as the functional alternative to NATO: “a large and nimble (multilateral) construct” well suited to American strategic concerns that are now centered in the Pacific.¹⁸ Yet, without cooperation from allies and partners such as Japan, South Korea, Thailand, Singapore and the Philippines, the US simply could not retain its forward military positions in the West Pacific. In Asia and Oceania alone, the US military has infrastructure and other facilities in Australia, Indonesia, Japan, Malaysia, Singapore and South Korea¹⁹ while discussions with Vietnam and Cambodia to host US sites are ongoing. The importance of the US to peace and stability in Asia, but critically also of Asia to the US is highlighted by the fact that the Asia Pacific region encompasses seven of the world’s ten largest armed forces and five of the seven US mutual defense treaties (Japan, South Korea, Thailand,

and spokes' model of alliances and partnerships in Asia, as wel

institutions of counter dominance and non interference in the region: American dominance is welcome and legitimized because it exists largely to keep the peace. This dynamic 'liberal order' – fair, flexible and open enough to welcome in new entrants as they rise – has served Asia well. As Robert Kaplan observes, “The phenomenon (and economic benefits) of globalization could not occur without American ships and sailors.”²¹ Even authoritarian China has been a beneficiary of the public goods in the form of stability provided by the Americans. It has risen within a hierarchical system and its rise will still not transform such a system into a multi polar one for decades.

Critically, this interdependent relationship means that the US leader of the system is not so powerful that it can readily ignore the wishes of its current partners, and more broadly of key states in the region. America is not a Hobbesian Leviathan with absolute authority and power to do what it wants. It is not even, and never has been, a hegemon. The hierarchy is consensual. The US will retain primacy and its security partnerships will remain on board; but both US primacy and the viability of security alliances and partnerships depend on the consent of countries in the region. In this structure, the US presence will stop any state from dominating another or from regional rivalries from getting out of hand. As long as the US performs this role, there will be no reason for regional states to 'balance' against America, or deny territorial access that the US as a foreign power depends on to maintain a dominant capacity for force projection in Asia.

Asia since World War Two is characterized by an 'under balancing' vis à vis the US which strategists in especially China find puzzling and curious. But it is only a curiosity if one characterizes the security environment in Asia as multipolar rather than hierarchical.

Anticipation of an imminent multipolar Asia actually reached fever pitch after

comfortable with this development. In fact, it appeared to be welcomed since

stitutional failings and apparent lack of purpose, ASEAN offers the US a

such as Singapore. Japan frequently offered strong support for US dominance whilst minimizing its own economic costs of being a security partner.²⁷

PART B: CHINA'S FUTURE CHALLENGE TO A US-LED HIERARCHY IN ASIA

Like any power or security structure, hierarchies are fluid. The main reason]

subverting or superseding American power and influence.²⁸ In addition to the military competition already well underway between the US and China,²⁹ if there were any doubts that Beijing already views Washington as a strategic competitor, these should be put aside.

Moreover, the modern Chinese narrative 'cherry picks' by taking a selective view of history that feeds its own resentment about the fact that it is still not ascendant in Asia. According to the modern Chinese interpretation of nineteenth and twentieth century history, while America was rising from the early 1800s onwards, China suffered a series of 'humiliations' at the hands of Western and Japanese powers. This began with the two Opium Wars (1839-1842 and 1856-1860), which ended in humiliating defeat for the Chinese and with the government agreeing to the sale of British opium in the country. China was also forced to sign the treaties of Nanjing (1842) and Tianjin (1858), known from the 1920s onwards as among a series of 'Unequal Treaties.' Other humiliations included the failure of the peasant led Boxer Movement, considered by some to be reactionary if not xenophobic, which was put down by a coalition of forces from eight foreign countries in 1901; and the eventual downfall of the 270 year old Qing Dynasty in 1912. The invasion by the Japanese in 1937 led to

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continues to grate on Beijing. Importantly, a large part of this narrative is the belief that outside powers have long stood ready to divide China in order to weaken it.

Second, and related to the first, China realizes that beyond realist goals, the enemies of what its strategists commonly call the 'American hegemon' are generally authoritarian states such as Russia, Iraq (when it was ruled by Saddam Hussein), Iran, Libya, North Korea and presumably China. In an article written in 2005, influential Chinese scholar Yaqing Qin argued that the US is obsessed with "the problem of how to establish, consolidate, and consummate the international hegemonic system . . . with its purpose to safeguard America's leading role [and] the order and stability of its hegemonic system.'³⁰ Moreover, according to influential Chinese thinker Wang Jisi, there is a close link between American hegemony and American liberalism. Quoting American scholars such as Walter Russell Mead, Wang argues that Americans 'worship violence' and have a 'warlike disposition.'³¹ Key to their preparedness to use force was the construction of 'a universal collective identity' that upheld liberal (democratic) values and systems. In other words, China believes that America seeks to dominate regional and global material and normative structures.³² Of further concern to the Chinese is that despite occasional diplomatic spats there appears to be a 'grand alliance' between North America, Europe, and Japan, which is underpinned by common political

³⁰ Yaqing Qin, 'Theoretical Problematic of International Relationship Theory and the Construction of a Chinese

values.'

to the detriment of other regional states. Subsequently as Jusuf Wanandi, then Director of Indonesia's Center for Strategic and International Studies, argued in 1990, "The central problem in the region right now is keeping the Americans in." Taking a position that was widely agreed to by states in the region, Wanandi further argued that "Militarily, it's much better for everybody – including the Japanese – if the Americans stay in."³⁵ Subsequently, in a similar rerun of very recent history, Singapore and Brunei offered the use of their territory for the US air force and navy while other Southeast Asian states publically voiced support for US bases in the Philippines; something they had resisted doing until the possibility of Japanese ascendancy and US withdraw appeared real.

Fourth, China is the only major power in Asia, and indeed in the world, that remains fundamentally dissatisfied with its current territorial and maritime borders. Rising and ambitious powers unhappy with existing land and maritime borders are a dangerous combination. If China continues to rise, this will create strategic and territorial problems of the first order.

The question of Taiwan remains a flashpoint that could yet lead to war between China and the US. Territorial disputes between China and countries such as India, Russia, Japan and several Southeast Asian states persist even if they have been stabilized for the moment. In particular, China still claims four fifths of the South China Sea as its 'historical waters' – illustrated by the (in)famous 'U' shaped line that Beijing claims defines its territorial waters. Although it is patently unreasonable that China should control such a large

³⁵ See Keith B. Richberg, "Many Asians fear potential military threat from Japan", 1990.

, 4 August

area of the South China Sea, the claim is nevertheless strongly held and long standing. Indeed, China's 'historical waters' claim is periodically and

previously erased the traditionally buffer between China and British ruled India. The China India war in 1962 led to a defeat for India and China seizing the Aksai Chin region which linked Tibet and Xinjiang provinces. China still claims part of the Indian eastern most Indian state of Arunachal Pradesh (which has Myanmar to its East.) Tensions remain real, illustrated by China recently blocking an Asian Development Bank US\$2.9 billion loan destined for India because US\$60 million of it was earmarked for a water program in Arunachal Pradesh.

Finally, China's economic rise is essential to regional prosperity. While allowing unchecked Chinese ambitions is not an option for other Asian states, neither is the option of 'keeping China down' a viable one – creating a strategic conundrum for the US. In 2008, Chinese growth was responsible for almost one quarter of global growth. It is the largest export platform for Asia. From US\$100 billion in 2004, trade between China and ASEAN surpassed US\$200 billion last year and there is constant talk – although little progress of a Free Trade Agreement to be concluded between China and ASEAN by 2010.³⁹

Moreover, just as with the success of Japan's reemergence, the rise of China is a source of genuine pride for Asian populations; especially for the 40 million Chinese Diaspora scattered mainly across Asia. Talk about the twenty first century being the 'Asian century' conjures up immense excitement for most populations in Asia. Despite remaining suspicious of China's ultimate ambitions for itself in the region – suspicions that are based on contemporary

³⁹ See "Global financial turmoil highlights importance of China ASEAN free trade area", , 9 April, 2009.

has attracted heavyweight support from venerated figures such as Henry Kissinger and Zbigniew Brzezinski.

For others, especially many within the US Treasury fretting about whether China will continue to purchase US dollar denominated assets, it is a timely and logical extension of the existing 'Strategic Economic Dialogues' initiated under the previous Bush administration to reflect the increasing importance and complexity of the bilateral relationship between Washington and Beijing. For example, while not quite advocating a G 2 framework, Secretary of State Hillary Clinton and Secretary to the Treasury Timothy Geithner argued in a recent *Wall Street Journal* op ed that while "few global problems can be solved by the US and China alone...few can be solved without the US and China together."⁴¹ This op ed was published immediately prior to the inaugural 'Strategic and Economic Dialogue' between the US and China in Washington that extended the Strategic Economic Dialogues initiated by the previous George W. Bush administration to cover not just strategic economic issues but also strategic *and* economic issues.

The strategic issues that will be covered by the expanded frame8

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capabilities, US GDP which is approximately US\$14 trillion (by PPP method) is still around 20% of global GDP while China's GDP at approximately US\$7.9 trillion (by PPP method) constitutes around 11% of global GDP.⁴⁴ Using the exchange rate method, China's GDP stands at around US\$4.3 trillion⁴⁵ which is approximately the same as Japan's (which is around 6% of global GDP.) Significantly, Chinese GDP per capita is still 1/8th that of America's (by PPP method.) This is significant because it indicates that China is still very much an undeveloped country and pressing domestic requirements will continue to dog Beijing for some time – restricting its capacity to play any leadership role even if it were trusted by the region.

Second, it would significantly diminish the primary strategy that the US and key Asian states have successfully used so far to manage and constrain Chinese ambitions even as it rises. By offering China an *equal* seat at the table with the Americans – something Beijing deeply desires – leverage to reward or reprimand, or to include or exclude Beijing in select institutions or dialogues before it has firmly committed to the norms and practices of the region will be greatly diluted. Indeed, by downgrading the strategic worth, value, and utility of its allies, the US would risk seriously undermining its alliance and its own leadership role by not will ng Be strion wiiaiaz

all Asian states have moved to reinforce and intensify security cooperation with Washington.

Moreover, institutions such as ASEAN which have proved useful in both keeping Southeast Asian states (most of which are US allies or security partners) relevant and in 'socializing' China would be gradually sidelined: a

If the hierarchy can be maintained and strengthened, China can legitimately rise within it but its ambitions – including any designs for its own ‘Monroe Doctrine’ – will be ‘structurally’ constrained. For China to rise within the hierarchy, it needs to do so within the existing regime of restrained competition, regional norms and other processes. China will also find it difficult to dominate regional institutions if US partners such as Japan, South Korea and increasingly India (an emerging strategic competitor with China in all but name) are part of these same institutions. Yet, Beijing knows that it needs to rise as a major player within these soft institutions. If it does not, regional states will have reason to compile a compelling case to sideline and isolate China – the nightmare scenario for Beijing’s strategists.

There needs to be continued faith placed in the plan to limit Beijing’s choices and ‘socialize’ Chinese actions (if not Chinese ambitions which is harder to change.) Allowing China to rise only within the Asian hierarchy is a creative alternative to the traditional options of crude ‘balancing’ or ‘bandwagoning’. Indeed, should China try and buck the system in the future, the framework for powers such as Japan and India (and ASEAN

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problems for the Indians and other Asian powers. China might remain disruptive but if it should eventually attempt to reject or undermine the existing order in Asia, Beijing will most likely be isolated. As former Secretary of State Condoleezza Rice argues, “the US Japan relationship, US South Korea relationship, the US India relationship are all important in creating an environment in which China is more likely to play a positive role than a negative role.”⁴⁷ Institutions such as ASEAN and the US bilateral security arrangements work in an ad hoc way to ‘socialize’ and ‘compel’ rising states (such as China) respectively.

Yet, the US must be mindful of the limitations imposed on independent US strategic maneuverings that are not seen by the vast majority of states as being in their interests. As mentioned, ASEAN states will simply not tolerate either the establishment of an explicitly anti Chinese alliance (for example, between the US, India and Japan) which attempts to explicitly ‘contain’ China or keep it down. Attempting to do so would cause these states to become disapproving and even disruptive since China is too important to the regional economy.

A case in point is the 2007 Quadrilateral Initiative between the US, India, Japan and Australia which was seen by many ASEAN states as too explicit a containment initiative against China and one that was likely to cause Southeast Asian states to openly declare their hand in ‘choosing’ between China and the Quadrilateral members. The Quadrilateral Initiative also existed uncomfortably alongside the informal hierarchical order since it had the

⁴⁷ Condoleezza Rice, “Remarks at Sophia University,” Tokyo, 19 March 2005.

potential to evolve into an alternative security agreement that might sideline and undermine the existing (informal) hierarchical setup. Subsequently, there was little support for the initiative, and considerable behind the door criticism directed toward it by ASEAN states.

The better approach, which Washington has caught onto belatedly, is to

develop the bilateral US-Japan A

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Critically, 'hard power' capabilities matter and strong armed forces are built on the back of economic strength – on this point Paul Kennedy has always been correct. Looking past one or two decades into the future and forecasting the economic environment is fraught with uncertainty, despite what Goldman Sachs has earned great fame trying to do. But in the foreseeable future, the US

economy will remain superior to China's even if China's absolute GDP continues to grow. For example, the US leads the world in innovation, technology, education; and its economy remains the most adaptable in the world.⁴⁸ America is far from an outmoded giant. In contrast, growth in China is largely engineered for employment preservation rather than driven by productivity gains or innovation.

However, even if America's economy remains strong, military, especially naval presence, matters in a region littered with key littoral states. In looking at the dominance of the Anglo powers over two centuries, military historian Jeremy Black puts it down largely to 'command of the ocean'.⁴⁹ In 1901, the Royal Navy had 330 ships.⁵⁰

where the US plays the role as primary 'coastguard' and enforcer of maritime order in Asia necessary for economic activity, US standing will suffer if its presence is significantly reduced. To maintain its leadership role, it cannot become merely a 'clever power' fighting the next hypothetical hi tech war behind the scenes.

Conversations in Singapore, Kuala Lumpur and Jakarta also reveal something else: these littoral states are noticing the decrease in the US naval fleet and the increase in China's and are concerned. For example, numbers of Chinese submarines exceed that of the US in the Pacific by more than 4:1 (75 to 18). As Dan Blumenthal notes:

The rise of the Chinese submarine fleet and symmetrical decline in American subs is reflective of a broader trend. China is well on its way to having the greatest number of fighter planes, surface ships, missiles and submarines in the region." ⁵³

Although many still take comfort in the fact that the US outspends China four to nine times in absolute terms depending on which set of figures

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The argument is frequently made that the US should be careful not to force Asian partners to choose between Washington and Beijing.⁵⁵ The counter argument should also be made that the US should be careful not to indicate to Asian partners that it is losing interest in playing its leadership role in the region. Despite continually US pronouncements that it has no intention of 'ceding the West Pacific', the presence of the US Navy in Asia is viewed by the region as the primary indicator of genuine US strategic intent and interest. If the US sends the signal that its capacity or willingness to maintain its role in the region is waning this is much more likely to force Asian partners to allow freer rein to Beijing; therefore quickening the erosion of the hierarchical order and reducing the prospects that the region can remain peaceful. If this were to occur, it would be much more costly in the long run for the US and its regional partners.

Enduring the tedium of 'weak' multilateral ASEAN forums

The strategic and diplomatic value of Southeast Asia as a region and the

states to develop their own security relations with the US and other partners. Moreover, as argued earlier, the existence of ASEAN allows the US a forum to entrench and enhance its strategic leadership, and help shape an institution that can help constrain Chinese ambitions.⁵⁶

The US should learn lessons from how China has cleverly seized onto Southeast Asia as a region and utilized ASEAN forums to enhance its strategic weight in Asia and attempt to lure Southeast Asian states away from the American sphere of influence. Chinese attempts to play the role as regional multilateral enthusiast par excellence and chief courtier of ASEAN is really an attempt to arouse enthusiasm for Chinese regional leadership amongst Southeast Asian states. Significantly, China has successfully launched over thirty ASEAN China mechanisms in recent times while the US has initiated less than ten.

In contrast to Beijing's tireless diplomacy in the region, decisions taken such as the failure of then Secretary of State Condoleezza Rice to attend the ASEAN Regional Forum in Laos in 2005 was a careless diplomatic faux pas by the Bush Administration which played out badly in the region. Although frequently dismissed as 'talk fests' by Washington's diplomats, enthusiastic American participation in ASEAN led forums signal to the region that the US is prepared to underwrite and work within the existing structures and processes of the region – the overwhelming preference of almost all Southeast Asian states.

⁵⁶ See also John Lee, "China's

In this context, Washington signing the ASEAN Treaty of Amity and Cooperation (TAC) in July 2009⁵⁷ is an important symbolic gesture even though the TAC has little legal or strategic import. The appointment of Scot Marciel as the US Ambassador to ASEAN is another worthwhile gesture⁵⁸ that was warmly received by member states. Although diplomatically tedious, enthusiastic American participation sends a strong signal to political elites and populations within Southeast Asian states that the US will be a cooperative and attentive leader in the region rather than an overbearing and aloof one. This will help the US led security hierarchy in Asia endure.

Conclusion

We need to better understand the workings of the here and now in Asia in order to meet the challenges for the future. Just as strategic disaster can result when underestimating the rise of emerging powers and ignoring our own weaknesses, it can also result from underestimating one's own strengths and built in advantages.

The US remains well placed in Asia having accumulated decades of good will in the region but it needs to build on its advantages. America and its partners would do well to correctly read the security dynamics in the region that defines how Washington's strategic influence is acquired, preserved, and wielded – to the enormous benefit of the region – before giving up the advantage prematurely.

⁵⁷ http://www.aseansec.org/PR_42AMM_US_Signed_TAC.pdf

⁵⁸ <http://www.aseansec.org/21496.htm>

