

CHINA, ASIA, AND THE AMERICAN “PIVOT”

Lowell Dittmer

University of California, Berkeley

As first American “Pacific president” (born in Hawaii, raised in Indonesia), Barack Obama has attempted to focus on the Asia-Pacific from the outset of his presidency. This was called a “return” to Asia, based on the contention that the region had been unduly neglected by the foregoing Bush administration. Secretary of State Hillary Clinton’s first trip abroad in February 2009 was a “listening tour” to Tokyo, Jakarta, Beijing and Seoul, followed by attending the ASEAN Regional Forum (ARF) in July and the Asia Pacific Economic Cooperation (APEC) Ministerial Meeting in November. In November 2009 President Obama visited Japan, Singapore, South Korea and China and participated in the APEC Economic Leaders’ Meeting the same month.

China has played a central role in the “return.” The Sino-American relationship was deemed the most significant in the world, “G-2.” Aside from the visits by Clinton and Obama, the Obama administration expanded the Sino-American economic dialogue initiated by Treasury Secretary Henry Paulson to a Strategic and Economic Dialogue, or SED (launched July 2009 in Washington), facilitating annual discussion of a wider range of concerns. Military-to-military exchanges between the two countries, albeit suspended in January 2010 amid Chinese criticism of US arms sales to Taiwan, were resumed at Washington’s request the following year. PLA officers were also included in the SED for the first time in 2011.

Yet after 2009, Obama’s Asia policy underwent a significant course correction. For a combination of domestic and foreign policy reasons, the “return,” now rechristened a “pivot,” began to take a more threatening form, at least from the Chinese perspective.

We begin with a brief exploration of the apparent reasons for the pivot. This is followed by an examination of its diplomatic, economic, and strategic dimensions. We then turn for a brief look at the alternative policy sponsored by Obama’s putative Republican opponent in the 2012 presidential election, Mitt Romney.

The Obama Pivot

The central reason for the shift is a sense of mutual disappointment in the early (2008-2010) phase of Obama’s “return to Asia.” From the administration’s perspective, after making considerable effort to assuage Beijing’s nationalist sensitivities (by postponing the decision on weapons sales to Taiwan and a visit of the Dalai Lama), Obama’s inaugural November 2009 visit to China was disappointing. Though it embraced a

broad vision of future cooperation on a wide range of issues, the Obama team was underwhelmed by the Chinese reception, which deprived the president of live access to a Chinese media audience awarded his predecessors. And the Climate conference in Copenhagen the following month reached only a weak outline of a global agreement thanks to an open dispute between developed and developing nations, led by the US and China respectively—China had promised in November to cooperate on this issue..

Chinese disappointment surfaced later, when Obama held his postponed visit with the Dalai Lama and approved a US\$6.4 billion dollar arms sale package to Taiwan, including Patriot missiles, Black Hawk helicopters, Harpoon land and sea missiles, mine hunting ships and communications equipment for Taiwan's aging F-16 fighters. These actions seemed to Beijing at odds with the accord reached during the Obama visit vowing mutual respect for “core interests,” which from Beijing’s perspective certainly included their claims to Tibet and Taiwan. In its toughest response in three decades Beijing announced that it would curtail military exchanges with Washington and even sanction the US companies involved in the arms sales.

The following year began with a reported Chinese claim in bilateral talks that the South China Sea was also a “core interest,” a controversial claim not publicly repeated or officially denied. It was however followed by more assertive Chinese claims to the East China Sea and the South China Sea and certain actions in defense of those claims (e.g., warning other ships away from disputed waters, cutting fishing lines, arresting fishermen and confiscating fish). This did not in Chinese eyes challenge American interests, as the US has no territorial claims to either disputed area. But Washington was uneasy about a perceived shift in the balance of power, its regional allies more so. Although China never directly challenged the US presence, PLA rearmament focused on developing “anti-access/area denial” (A2AD) weapons, such as aircraft carriers or anti-ship ballistic missiles (ASBM), designed to deter naval intrusion into China’s notional maritime frontier (not only its territorial waters, presumably, but China’s exclusive economic zone and large portions of the East and South China Seas). Meanwhile, Western journalistic coverage of these developments heightened popular American apprehensions about China’s rise as great power.¹

¹ In 2010, a poll by the Pew Research Center found that 61 percent of respondents thought the United States was in decline, and only 19 percent trusted the government to do what is right most of the time. In 1964, by contrast, three-quarters of the American public said they trusted the federal government to do the right thing most of the time. The numbers have varied somewhat over time, rising after 9/11 before gradually declining again. . Asked in another 2010 survey (by Chicago Council on Global Affairs), whether China practices “fair trade,” only 29 percent of Americans agreed, as opposed to 81 percent for Canada, 68 percent for the European Union, 58 percent for Japan and 41 percent for Mexico; 53 percent viewed China’s economic growth as negative for the United States. See Joseph S. Nye, “The Future of American Power,” *Foreign Affairs*, Nov/Dec2010, Vol. 89, Issue 6.

American diplomacy began to diverge into three separate discourses. The bilateral discourse remained cordial and even multiplied quantitatively into a host of exchanges and dialogues. Alongside the SED mentioned above, a military-civilian Strategic Security Dialogue (SSD) was launched in 2011 to tackle such intractable issues as cyber-security and maritime security. The first round of the “US-China Consultation on the Asia-Pacific” was convened in June 2011. The most significant outcome of the economic track was the “US-China Comprehensive Framework for Promoting Strong, Sustainable, and Balanced Growth and Economic Cooperation,” agreed in principle in talks between Obama and Hu in January 2011 to be further elaborated at the SED session held later that year. Although these talks were cordial and mutually appreciated, the Americans remained skeptical about implementation. Thus an apparently constructive dialogue ironically coincided with a deterioration of trust and an increasingly competitive relationship.

In this context, the architects of the early pro-China policy, Deputy Secretary of State James B. Steinberg and East Asia Security Council counselor Jeffrey Bader, both stepped down in 2011. Their influence was displaced by officials in the Defense and State departments who shared a more “realist” view of China’s emerging policy line.

How to explain these paradoxical developments? If we can assume that bilateral diplomacy remained on the whole cordial and productive, the answer must lie in one of the other two arenas in which the two countries engaged. The multilateral Asian diplomatic forums were now frequented by leading US officials, often Clinton or Obama himself. But American leaders often used these forums as a sounding board to raise the issue of China’s more assertive territorial claims for public discussion and to call for multilateral rather than bilateral resolution. Thus at the July 210 ASEAN Regional Forum summit, Secretary of State H. Clinton suddenly declared an American “national interest” in the South China Sea disputes because the credibility of American alliance commitments was involved, as well as freedom of commerce, calling for multilateral resolution. The US finally signed ASEAN’s Treaty of Amity and Cooperation (TAC) and joined the East Asia Summit (EAS) under Obama, and at their first meeting in November 2011 in Indonesia again raised maritime security issues. China was embarrassed by the publicity and has consistently opposed multilateral solutions, and PRC representatives rejoined such discussions with obvious chagrin.

Meanwhile Washington also pursued more active bilateral diplomacy with China’s neighbors, negotiating weapons sales, joint military exercises, naval port calls and other forms of enhanced security collaboration. For example, in 2010 the nuclear-powered aircraft carrier George Washington was deployed to the West Sea [i.e., the Yellow Sea]

and the South China Sea in joint naval exercises with Korea and Vietnam. Vietnam opened Cam Ranh Bay to visits by US naval vessels, Singapore announced it would host the forward deployment of US Navy Littoral Combat Ships (part of the Air-Sea Battle Concept), and the Manila Declaration was signed in November 2011 reaffirming the US-Philippines Mutual Defense Treaty. South Korea resumed construction of a joint military-civilian port facility on Cheju Island, notwithstanding Chinese criticism. But the most significant signal of enhanced US security engagement on China's periphery was the November 2011 Obama announcement that US Marines would begin rotations to Darwin on the northern coast of Australia in 2012, starting with some 250 personnel and growing to a target number of 2,500 Marines in years ahead. This deployment signals a shift of US forces from northeast to southeast Asia, directly athwart the South China Sea.

But the core of the US "pivot" is strategic. Obama foreshadowed it during his November 2011 visit and it was then set forth in January 2012 in two official documents, the defense strategic review "Sustaining U.S. Global Leadership: Priorities for the 21st Century Defense" introduced by Obama and Defense Secretary Panetta on January 5, 2012; and the Joint Operations Access Concept (JOAC), released 12 days later by the Pentagon.² The new strategy was set forth in the Air-Sea Battle Concept (ASBC), expressly designed to project power against "A2AD" resistance.³ This would entail, inter alia:

1. increasing antisubmarine warfare (ASW) training for Pacific Fleet forces;
2. shifting three Pacific Fleet Los Angeles (SSN-688) class SSNs (nuclear attack submarines) to Guam;
3. basing all three Seawolf (SSN-21) class submarines—the Navy's largest and most heavily armed SSNs—in the Pacific Fleet (at Kitsap-Bremerton, WA);
4. basing two of the Navy's four converted Trident cruise missile/special operations forces submarines (SSGNs, or cruise missile submarines) in the Pacific (at Bangor, WA);
5. assigning most of the Navy's ballistic missile defense (BMD)-capable

²"Sustaining U.S. Global Leadership: Priorities for 21st Century Defense" (January 5, 2012), <http://fulltextreports.com/2012/01/05/sustaining-u-s-global-leadership-priorities-for-21st-century-defense/>, accessed March 10, 2012; "JOINT OPERATIONAL ACCESS CONCEPT (JOAC) VERSION 1.0 (17 January 2012), http://www.defense.gov/pubs/pdfs/JOAC_Jan%202012_Signed.pdf; accessed April 1, 2012.

³The ASBC made its first appearance in the US Quadrennial Defense Review (QDR) in February 2010, where it was rationalized in terms of a need to defeat adversaries equipped with "sophisticated A2/AD capabilities" and to develop "capabilities needed for effective power projection operations." In November 2011, the Pentagon announced that an ASB Office had been set up and that development of this concept would enter the implementation phase. .

Aegis cruisers and destroyers to the Pacific—and homeporting some of those ships at Yokosuka, Japan, and Pearl Harbor, HI.⁴

The American leadership accompanied this concerted reorientation of its Asia policy with professions of support for China's "peaceful rise," forswearing any "China threat theory." Although China's public response has thus far been mild, these assurances have clearly not been convincing to Chinese ears.

Domestic critics immediately pointed to the disjuncture between the envisaged new strategy and the budgetary constraints faced by a heavily indebted US government. The department of defense is facing draconian defense cuts of \$1 trillion (\$486 billion during the next decade and an additional \$500 billion under the sequestration slated for the end of 2012). But Obama promised that the US "will be strengthening our presence in the Asia Pacific, and budget reductions will not come at the expense of that critical region," pointing out that 90,000 troops had been removed from Iraq and Afghanistan in 2011 and that further forces would be withdrawn—mechanized ground combat forces from Western Europe as well. While the army will see a reduction in its total strength from approximately 570,000 troops to 490,000 in 10 years' time, Obama vows no reduction in the navy's carrier fleet. Obama claims, *mirabile dictu*: "a new defense strategy that ensures we maintain the finest military in the world, while saving nearly half a trillion dollars in our budget."⁵

The economic foundation for the pivot consists of two policies, one old, one new. The old policy has been to complain to the Chinese about the bilateral trade deficit and alleged unfair trading practices. Notwithstanding its threat to do so during the 2008 presidential sweepstakes, the administration has not cited China as a currency manipulator nor has this been emphasized in the SED. Complaints now focus on China's "indigenous innovation" program, which is alleged to have complicated US access to domestic markets with government procurement policies, forcing investors to share technology with Chinese competitors and using illegal techniques to appropriate proprietary technology. Reflecting frustration with the results of diplomatic complaints alone, however, Obama emphasized that: "We've brought trade cases against China at

⁴ The Navy's July 2008 proposal to stop procurement of Zumwalt (DDG-1000) class destroyers and resume procurement of Arleigh Burke (DDG-51) class Aegis destroyers can be viewed as having been prompted in large part by Navy concerns over its ability to counter China's maritime anti-access capabilities; though China was never mentioned by name, the Navy's references to ballistic missiles and to submarines operating in blue waters can be viewed, at least in part, as a reference to Chinese ballistic missiles (including ASBMs) and Chinese submarines.

⁵ Office of the Press Secretary, For Immediate Release (January 05, 2012), "Remarks by the President on the Defense Strategic Review," The Pentagon, 11:00 A.M. EST; and Barack Obama, "State of the Union Address" (January 24, 2012), <http://www.cfr.org/us-strategy-and-politics/state-union-address-2012/p27182>, accessed March 3, 2012.

nearly twice the rate as the last administration — and it's made a difference. . . . Tonight, I'm announcing the creation of a Trade Enforcement Unit that will be charged with investigating unfair trading practices in countries like China. (Applause.) There will be more inspections to prevent counterfeit or unsafe goods from crossing our borders.”⁶

The new economic component of the Obama pivot is the Trans-Pacific Partnership, or TPP. The TPP is a “high-quality” multilateral trade agreement designed to deal with behind-the-border impediments to trade and investment (intellectual property rights, stronger labor and environmental standards and investment protection requirements) as well—provisions that, perhaps not coincidentally, will make it difficult for China to join. The TPP is the descendant of an agreement by Brunei, Chile, New Zealand and Singapore that was negotiated in 2005 and entered into force May 2006. At the 2010 APEC summit the leaders of nine negotiating countries (Australia, Brunei, Chile, Malaysia, New Zealand, Peru, Singapore, the US and Vietnam) endorsed Obama’s proposal setting a date for settlement of negotiations by the next APEC summit in November 2011. More recently, Japan, Canada and Mexico have announced negotiations to join as well. At the November 2011 Honolulu summit; progress was highlighted, a broad framework announced, and a 12 month deadline for establishment of the TPP was set.

The Republican Response

The now virtually certain Republican challenger to President Obama in the 2012 election is also the candidate who has articulated the most coherent and articulate China policy, former Massachusetts governor Mitt Romney. While a challenge to the incumbent on the China issue is far from unprecedented, Romney is unusual in focusing his attack not on human rights or security issues but on trade and “unfair” competition. Thus the China critique is thematically integrated into Romney’s central campaign narrative, which emphasizes his determination to overcome the post-Lehman economic malaise and restore American growth and competitiveness.⁷

The Republican critique of Obama’s security policy is subordinate to domestic politics but it is relatively simple: the US must retain strategic primacy, and to do so must increase defense spending, including shipbuilding, national missile defense, and space

⁶ Obama, State of the Union address, January 24, 2012.

⁷ However: “We certainly should not have relegated the future of freedom to second or third place, as Secretary of State Clinton did in 2009 when she publicly declared that the Obama administration would not let U.S. concerns about China’s human rights record interfere with cooperation . . . Mitt Romney will seek to engage China, but will always stand up for those fighting for the freedoms we enjoy.” Romney delivers speech to AIPAC, “hope is not a foreign policy,” (March 6, 2012), in *An American Century: A Strategy to Ensure America’s Interests and Ideals*, <http://www.mittromney.com/collection/foreign-policy>, accessed March 8, 2012

weaponry. Core US defense spending must be maintained at 4 percent of GDP.⁸ This would increase annual defense spending to \$600 billion or more, and overall military spending to about \$720 billion. If Obama's vow to grow the military while cutting its budget strains credibility, Romney's does so even more.

But the most consistent and fully articulated Romney critique is of the Obama economic policy: "On many occasions Chinese companies, have simply reverse-engineered American products, with no regard for the patents and other protections of intellectual property rights that are crucial to our own economic well-being. The Chinese government facilitates this behavior by forcing American companies to share proprietary technology as a condition of their doing business in China. A recent study by the U.S. Chamber of Commerce reports that international technology companies consider these practices to be 'a blueprint for technology theft on a scale that the world has never seen before.' China's unfair trade practices extend to the country's manipulation of its currency to reduce the price of its products relative to those of competing nations such as ours."⁹ Thus Romney promises on "Day one" to issue an executive order (not requiring congressional approval) directing the treasury department to label China a "currency manipulator." in its biannual report and to impose "countervailing duties" on Chinese products should China not quickly raise the value of its currency.¹⁰ Romney's plan also promises more trade cases at the World Trade Organization (WTO), intense border inspections, pressure on China to join the WTO's Government Procurement Agreement, and so on.

Conclusions

The 2012 US election looks as if it will polarize Sino-US relations, not because of partisan differences but because of underlying partisan agreement: Obama has moved to preempt the GOP critique with a tough security policy, while Romney is determined not to let Obama outflank him on the right. In a sense the two contending policies are complementary, with Obama focusing on the military-strategic dimension while his opponent places greater emphasis on economic competition. (Indeed, Romney has applauded Obama's TPP initiative, promising to execute if Obama "stalls" TPP until after the election.) From the Chinese perspective this is a distinction without a difference, confronting a bipartisan anti-China policy.

⁹ *Believe in America: Mitt Romney's Plan for Jobs and Economic Growth* (n.p.: Romney for President, Inc., 2011), <http://www.mittromney.com/sites/default/files/shared/BelieveInAmerica-PlanForJobsAndEconomicGrowth-Full.pdf>, accessed March 6, 2012.

¹⁰ *Believe*, p. 6.

Yet paradoxically, despite the rise of nationalism in China during the runup to the 18th Party Congress in the fall of 2012, the reaction to this hardening US stance has been surprisingly mild. This is not because Beijing has any sympathy at all for the pivot. Chinese policy makers and analysts alike are furious about the pivot, which they hold responsible for the escalating resistance from Japan and various Southeast Asian countries. But the response of China's neighbors has made a definite impression. A polarized political-strategic atmosphere in which China's new trade partners all move back into Washington's strategic orbit is definitely not in China's best interest. Thus although Beijing remains unhappy about what they view as being crowded out of the quest for subsurface mineral rights in territory to which they have "undisputable" claim, Chinese diplomacy has since June 2011 shifted back to a policy of "onconfrontational assertiveness."¹¹

¹¹ Li Mingjiang, "Chinese Debates of South China Sea Policy: Implications for Future Developments," RSIS Working Paper no. 239, May 17, 2012, Rajaratnam School of International Studies, Singapore.