Obama’s Dualistic Grand Strategy in Asia:
Cooperative Security and Primacy

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Abstract

This thesis examines the grand strategy behind U.S. President Barack Obama’s rebalance to Asia. Many scholars have argued that the rebalance does not constitute a grand strategy. This thesis argues that the rebalance is motivated by a grand strategy, one that combines cooperative security and primacy. The thesis explores what American actions have entailed in numerous military and non-military dimensions between 2009 and 2014. The central focus of America’s military, economic, and diplomatic initiatives in Asia is China and its potentially destabilizing role in the region. While there are a host of cooperative features in the rebalance, primacy is the primary motivator, as most of the military and non-military elements are aimed at the continuation of U.S. global leadership and the existing international order. The analysis reveals that the Obama administration’s policies in Asia have been relatively consistent throughout Obama’s presidency.

Keywords: Rebalance; Grand Strategy; Obama; Asia; China
Dedication

This thesis is dedicated to my mom and dad, Yumi and Robin, and my brother, Billy, who have always supported me.
Acknowledgements

I am proud to have had Dr. Moens as my supervisor. Dr. Moens has guided me not only as an academic mentor, but as a role model and person. I am grateful to Dr. Logan Masilamani, my dad, and friends (Jamie Horncastle, Khash Hemmati, Sukhjit Chohan, and Jennifer Cooper) for their helpful suggestions and edits throughout various drafts, as well as their encouragement, in the writing process.
# Table of Contents

Approval ............................................................................................................................... ii  
Abstract ............................................................................................................................... iii  
Dedication ............................................................................................................................ iv  
Acknowledgements ............................................................................................................ v  
Table of Contents ............................................................................................................... vi  
List of Acronyms ................................................................................................................ vii

Chapter 1. Introduction ........................................................................................................ 1

Chapter 2. Grand Strategy .................................................................................................. 7  
  2.1. The Concept of Grand Strategy ................................................................................. 7  
  2.2. Obama’s Rebalance and Grand Strategy ................................................................. 10  
      2.2.1. Selective Engagement ...................................................................................... 13  
      2.2.2. Cooperative Security ....................................................................................... 15  
      2.2.3. Primacy ............................................................................................................ 16

Chapter 3. The Rebalance .................................................................................................. 20  
  3.1. Objectives and Background ..................................................................................... 20  
  3.2. Six Components ........................................................................................................ 28  
      3.2.1. Alliances ........................................................................................................... 28  
      3.2.2. Partnerships ....................................................................................................... 36  
      3.2.3. Multilateral Regional Institutions ................................................................. 47  
      3.2.4. Economic Engagement .................................................................................... 55  
      3.2.5. Force Projection ................................................................................................. 59  
      3.2.6. Democratic Values and Human Rights ........................................................... 67

Chapter 4. Analysis of Strategic Rationale ......................................................................... 71

Chapter 5. Conclusion ......................................................................................................... 87

References ............................................................................................................................ 90
## List of Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>A2/AD</td>
<td>Anti-Access/Area Denial</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>ADIZ</td>
<td>Air Defence Identification Zone</td>
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<tr>
<td>AIIIB</td>
<td>Asian Infrastructure Investment Bank</td>
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<tr>
<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
</tr>
<tr>
<td>ARF</td>
<td>ASEAN Regional Forum</td>
</tr>
<tr>
<td>ARF DiREx</td>
<td>ARF Disaster Relief Exercises</td>
</tr>
<tr>
<td>ASB</td>
<td>Air-Sea Battle</td>
</tr>
<tr>
<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
</tr>
<tr>
<td>ASEAN+3</td>
<td>ASEAN members plus China, Japan, and South Korea</td>
</tr>
<tr>
<td>BIT</td>
<td>Bilateral Investment Treaty</td>
</tr>
<tr>
<td>BRICS</td>
<td>Brazil-Russia-India-China-South Africa</td>
</tr>
<tr>
<td>DPJ</td>
<td>Democratic Party of Japan</td>
</tr>
<tr>
<td>E3</td>
<td>Expanded Economic Engagement</td>
</tr>
<tr>
<td>EAS</td>
<td>East Asian Summit</td>
</tr>
<tr>
<td>EEZ</td>
<td>Exclusive Economic Zone</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FTA</td>
<td>Free Trade Agreement</td>
</tr>
<tr>
<td>G2</td>
<td>Group of 2</td>
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<tr>
<td>G8</td>
<td>Group of 8</td>
</tr>
<tr>
<td>G20</td>
<td>Group of 20</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>LMI</td>
<td>Lower Mekong Initiative</td>
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<tr>
<td>MRC</td>
<td>Mekong River Commission</td>
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<tr>
<td>QDR</td>
<td>Quadrennial Defense Review</td>
</tr>
<tr>
<td>PLA</td>
<td>People’s Liberation Army</td>
</tr>
<tr>
<td>RCEP</td>
<td>Regional Comprehensive Economic Partnership</td>
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<tr>
<td>S&amp;ED</td>
<td>Strategic and Economic Dialogue</td>
</tr>
<tr>
<td>SCO</td>
<td>Shanghai Cooperation Organization</td>
</tr>
<tr>
<td>SEACAT</td>
<td>Southeast Asia Cooperation and Training</td>
</tr>
<tr>
<td>TAC</td>
<td>Treaty of Amity and Cooperation in Southeast Asia</td>
</tr>
<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>---------</td>
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<tr>
<td>THAAD</td>
<td>Terminal High Altitude Area Defence</td>
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<tr>
<td>TPP</td>
<td>Trans-Pacific Partnership</td>
</tr>
<tr>
<td>TTIP</td>
<td>Transatlantic Trade and Investment Partnership</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNCLOS</td>
<td>UN Convention on the Law of the Sea</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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Chapter 1. Introduction

This thesis examines the grand strategy behind American President Barack Obama administration’s foreign policy “rebalance” (or “pivot”) to Asia between when he first entered office and the end of 2014. Upon his inauguration in 2009, Obama felt that American resources were heavily overinvested in the Middle East, and that U.S. foreign policy had to become more balanced across various regions. The drawdown from the wars in Iraq and Afghanistan gave Obama the opportunity to shift newly available military, economic, diplomatic, and political attention and resources to Asia. In 2013, Tom Donilon, then National Security Adviser, declared the overarching objective of the rebalance was “to sustain a stable security environment and a regional order rooted in economic openness, peaceful resolution of disputes, and respect for universal rights and freedoms.” This ambition necessitates American leadership in the region to encourage and uphold the principles of the current international system. The “rebalance” was articulated most clearly by then Secretary of State Hillary Clinton in a 2011 Foreign

1 Within the American rebalance, geographically, Asia generally includes Northeast and Southeast Asia whereas Central Asia, South Asia, and the Middle East have separate American policies geared towards them. However, India, part of South Asia, is also factored into America’s rebalance.


Policy article titled “America’s Pacific Century.” Clinton stated that America’s commitment to the Asia-Pacific region was essential to sustaining long-term prosperity and security at home and abroad. She outlined six key areas for increased American engagement in Asia: strengthening bilateral security alliances; deepening working relationships with emerging powers; engaging with regional multilateral institutions; expanding trade and investment; forging a broad-based military presence; and advancing democracy and human rights. This would include signalling to Southeast Asia its importance to America’s interests, an area that had been traditionally downplayed in U.S. foreign policy. The rebalance also emphasizes the economic and strategic connections between the Asia-Pacific region and the Indian Ocean, another undervalued link in historic American engagement in Asia.

Initially the thesis outlines the concept of grand strategy and characterizes the grand strategic approaches that scholars have adopted to describe Obama’s approach to Asia. Grand strategies are frameworks that seek to align a country’s foreign policy resources and goals. They provide leaders with coherent ideas and purposeful objectives. Decision-makers conducting grand strategy are not simply reacting to crises. Their long-term vision does not radically alter when problems arise. Yet, grand strategy is a continuous process whereby the means can change given changes in circumstances. While there are many interpretations of the concept, grand strategy

5 The term “pivot” can be used interchangeably with “rebalance.” Hillary Clinton popularized the use of the term “pivot” and continues to utilize it, along with President Obama, but most of the State Department has distanced itself from the term. Donilon has stated that the term “pivot” is too sharp and inaccurately signals an abandonment of European allies and the Middle East. The January 2012 Defence Strategic Guidance was the first statement to utilize the term “rebalance.” See Michael J. Green and Zack Cooper, “Revitalizing the Rebalance: How to Keep U.S. Focus on Asia,” The Washington Quarterly 37, no. 3 (Fall 2014): 28.


7 The term “engagement” is commonly employed in different ways. In this case and throughout this paper, it is being utilized by the author to show the disposition of the United States. American officials use it to describe a “process as well as a goal.” See David H. Capie, Paul M. Evans, and Akiko Fukushima, Speaking Asia Pacific Security: A Lexicon of English Terms with Chinese and Japanese Translations and a Note on the Japanese Translation, Working Paper (Toronto: University of Toronto-York University, 1998), 43.


9 Grand strategy work is done primarily by American authors.
increasingly encompasses a wide range of non-military and peacetime aims. Grand
strategies such as selective engagement, cooperative security, offshore balancing, and
primacy have been outlined as representative of Obama’s grand strategy. While there
are challenges defining each of these grand strategies, American grand strategy
theorists have a tendency to conflate distinct approaches such as cooperative security,
collective security, and collective defence into one grand strategy of cooperative
security. Nevertheless, most scholars in the field of grand strategy have argued that the
rebalance does not amount to a grand strategy. They see the Obama administration as
reactive to events in Asia, and around the world, employing sparse high-level strategic
thinking on foreign policy.

However, this thesis argues that the rebalance does constitute a grand strategy.
The scope of the rebalance suggests an overall strategic rationale that is most
accurately called “cooperative primacy,” a term that Professor Michael Evans from the
Australian Defence College coined, combining elements of cooperative security and
primacy. The thesis describes the strategic goals and underpinning of the rebalance. It
demonstrates how the principles within the rebalance were conceived even prior to
Obama taking office. The rebalance entails a farsighted view of how the United States
should refocus on and engage in the Asia-Pacific region. It involves a far more
comprehensive strategy than just a military shift. Economic, diplomatic, and institutional
mechanisms play a major role in the rebalance. The Obama administration recognizes
the increasing fundamental importance of Asia, especially China, to America’s economic
well-being and to regional and global stability. Part of this attention to Asia was also
motivated by Obama’s own upbringing in Jakarta, Indonesia, where he lived from the
ages of six to ten years old. Another aspect was the perceived vitriol with which much of
the rest of the world held towards the United States following the Bush presidency;
Obama’s administration undoubtedly wanted to revamp America’s image abroad.

At the same time, China made a series of highly assertive moves in 2009 and
2010 that led to greater demands from Southeast and Northeast Asia for a firmer

10 Michael Evans, “American Defence Policy and the Challenge of Austerity: Some Implications
for Southeast Asia,” Journal of Southeast Asian Economies 30, no. 2 (August 2013): 175.
American commitment to maintaining peace in the region.\textsuperscript{11} These included Chinese Foreign Minister Yang Jiechi’s outburst against its “small” neighbours and the United States at the 2010 Association of Southeast Asian Nations Regional Forum (ARF) claiming China’s sovereignty over most of the South China Sea (known as the West Philippine Sea in the Philippines and the East Sea in Vietnam), China’s implicit support for North Korea following its multiple provocations that killed many South Korean civilians, and China’s harsh banning of rare earth exports following a minor incident with Japan in the East China Sea.\textsuperscript{12} Diplomatic moves by China’s government also upset many members of the European Union (EU), and while China toned down its diplomacy in 2011, this period from 2009-2010 has become known as China’s “year of assertiveness.”\textsuperscript{13} China’s concept of its “peaceful rise” was tarnished, as much of the world became more uncertain about China’s intentions. The rebalance is thus also driven by an American desire to reassure its allies and partners in Asia in the face of a rising China.

Examining the six areas that Hillary Clinton outlined in the rebalance, the thesis next focuses on what level of follow-through has been achieved in each area by the Obama administration. The United States has made efforts to improve its relationships with its allies in Asia, although largely in the realm of greater military cooperation, especially with Australia and the Philippines (and South Korea in order to deter North Korean provocations). Thailand has generally rebuffed closer military ties to the United States. In terms of creating new relationships with emerging powers, the Obama administration has focused on Southeast Asian countries and India to help check China’s growing influence in the region. At the same time, the United States has been welcomed by some Association of Southeast Asian Nations (ASEAN) countries such as Vietnam to play a stabilizing role with respect to the intensifying disputes over the contested islands in the South China Sea. Moreover, while the Obama administration has encouraged the strengthening of regional multilateral institutions, its key initiatives in

\textsuperscript{11} Saunders, “The Rebalance to Asia,” 4.
this area have been strategically motivated to maintain its position of global leader. Obama’s economic engagement in Asia revolves around the negotiations for the Trans-Pacific Partnership (TPP), which attempts to create a high-standards regional free trade regime, pushing countries such as China to eventually conform. Militarily, the United States has shifted naval and air power resources towards Asia and it has increased direct military-to-military contact with China in order to reduce the chances for miscalculations by either military. Little effort has been made by the Obama administration to stimulate more respect for democracy and human rights among Asian governments. These concerns have been overshadowed by the pursuit of economic, military, and political interests.

Overall, the analysis shows that there is a grand strategy that involves a combination of components. The approach and the strategic goals have remained relatively consistent throughout the entire Obama presidency. Continuation of American primacy is the primary motivator. Most of the military and non-military elements are aimed at constraining China’s rise in order to maintain U.S. global leadership and the existing international order. The rules-based international order, according to the Obama administration, establishes a set of common rules, supports a system of rules and responsibilities, comprises freedom of navigation and open commerce, rewards constructive behaviour via respect and legitimacy, holds accountable those who undermine peace and prosperity, ensures stability, and promotes the peaceful rise of emerging powers. The United States touts this system as beneficial to all countries, especially China. The President’s 2010 National Security Strategy, which was Obama’s national security team’s first major document outlining the administration’s strategic vision, emphasized the fundamental importance of preserving the international order and America’s principal role in that effort.

Yet, the rebalance has multiple dimensions, some of which are less glamorous. The Obama administration has signalled its long-term commitment to regional

multilateral institutions in Asia. It has followed through on its anti-proliferation agenda including collecting and destroying part of Japan’s nuclear stockpile. Obama has been relatively quiet on matters of human rights and democracy, recognizing that democracy cannot be imposed on other states. The United States has encouraged and facilitated greater dialogue between adversaries Japan and South Korea (and between Japan and China). Obama’s government has prioritized the Group of 20 (G20) over the Group of 8 (G8) since the global financial crisis in 2008, which is far more inclusive of the emerging powers in Asia. Finally, the United States has emphasized more cooperative relations with China to be able to more effectively address global challenges.
Chapter 2. Grand Strategy

2.1. The Concept of Grand Strategy

After the Second World War, the idea of grand strategy became popularized. Liddell Hart, a military historian and the first to advance the idea of grand strategy, posited that the concept is “higher strategy” that allocates and coordinates military and non-military resources towards a wartime or subsequent peacetime goal. Military means represent only one tool of grand strategy and are combined with economic, political, and psychological instruments. Hart contended that “strategy is only concerned with the problem of winning military victory” whereas “grand strategy must take the longer view-for its problem is the winning of the peace.” Hart claimed that leaders must be shrewd, perceptive, and moral to carry out a successful grand strategy that is lasting and compatible with the peace that follows war. While strategy for Hart is largely concerned with deceiving an adversary, grand strategy generally coincides with morality. Yet, Hart’s sense of grand strategy was restrictive in that it is appropriated only during conflict – even if the goal is beyond war. Hart argued that the purpose of grand strategy was not only to achieve victory, but also to ensure that it was worth the cost. One of Hart’s critical insights then was that states have finite resources to pursue their goals.

18 Hart, Strategy, 362.
19 Hart, Strategy, 236.
21 Brands, What Good is Grand Strategy?, 3.
With increasing global interdependence in the subsequent decades since the end of the World Wars and Cold War, most modern writers have broadened grand strategy to include both peacetime and wartime planning as well as political, diplomatic, technological, cultural, moral, economic, and military factors.\textsuperscript{22} Military strategy is now seen as only a component of grand strategy.\textsuperscript{23} While military strategy is directed by generals, grand strategy is conducted by statesmen. Grand strategy is broader than strategy, but has little theoretical consistency among scholars. The concept is ambiguous and contested, and is often criticized as impractical. President Bill Clinton dismissed it as a “pipe dream.”\textsuperscript{24} Many theorists find too many contradictions to allow any government to practically integrate long-term policies.\textsuperscript{25} Ad-hoc responses to crises are unavoidable. Critics claim that no leader can reasonably manage a country’s strategic direction or have the time to think thoroughly through each of their decisions.\textsuperscript{26} Columbia University Professor of Political Science Richard Betts argues that sensible strategy is an “illusion” that rarely works.\textsuperscript{27} Complex strategies are problematic because many variables impacted by the strategy cannot be controlled or even contained.

Nonetheless, grand strategy theory assumes that leaders can impose a degree of control over events.\textsuperscript{28} Former U.S. National Security Adviser and Secretary of State Henry Kissinger has regularly declared that a state’s destiny is not determined by external circumstances such as geography, but by the choices statesmen make.\textsuperscript{29} Leaders’ decisions, while affected by several external and internal factors, are crucial to the direction that a state takes.

\textsuperscript{22} Deibel, \textit{American Statecraft}, 8.
\textsuperscript{24} Brands, \textit{What Good is Grand Strategy?}, 14.
\textsuperscript{25} Thomas M. Kane and David J. Lonsdale, \textit{Understanding Contemporary Strategy} (New York: Routledge, 2012), 103.
\textsuperscript{26} Kane and Lonsdale, \textit{Understanding Contemporary Strategy}, 106.
\textsuperscript{28} Brands, \textit{What Good is Grand Strategy?}, 190.
This thesis takes an expansive interpretation of grand strategy, considering both peace-time and war-time strategy. The thesis assumes that statesmen consider the feasibility of reaching strategic objectives in the context of the state’s available resources. While tempting for the United States to engage in all of the world’s problems, prioritization of specific challenges and opportunities is necessary. National leaders must assess what commitments are mandatory. They conduct this strategic planning typically at the outset of a presidency, hoping to distinguish themselves from their predecessors and before the momentum of foreign policy sets in.

Fundamentally, Duke Public Policy Professor Hal Brands states that “grand strategy is the intellectual architecture that lends structure to foreign policy.” Leaders conducting grand strategy are not simply reacting to crises. They have coherent ideas and purposeful objectives, and this logic steers their choices. They hope to shape the circumstances of potential future events that have not yet reached prominence. Grand strategy can provide governments with analytical strength and a conceptual frame to be able to respond more quickly to these sorts of events. Their long-term vision does not radically alter with new problems. Grand strategy shapes foreign policy, but is more concerned with long-term ambitions. Foreign policy incorporates everything a state is affected by, whether short-, medium-, or long-term. Grand strategy need not be formalized or announced, but requires a continuation or consistency of actions and aims. It comprises forecasting as well as reassessment and sensitivity to history to make reasoned decisions about policy.

Nevertheless, grand strategy is a process whereby the means can change given circumstances that arise from domestic and international politics. The targets remain, but the methods by which to accomplish them may change. Recognizing the dynamic

30 Deibel, American Statecraft, 18.
31 Brands, What Good is Grand Strategy?, 197.
32 Brands, What Good is Grand Strategy?, 1.
33 Kane and Lonsdale, Understanding Contemporary Strategy, 104.
34 Deibel, American Statecraft, 32.
36 Brands, What Good is Grand Strategy?, 204.
37 Brands, What Good is Grand Strategy?, 5.
nature of international relations, grand strategy is obliged to be influenced by the behaviour of other states. Grand strategy should not be understood as fixed; it is a continuous process. Grand strategy may require the United States and its allies to show restraint, waiting for an adversary to defeat itself. It thus serves as a framework for leaders on how to respond to problems domestically and internationally.

2.2. Obama’s Rebalance and Grand Strategy

There is ample debate about whether the rebalance constitutes a grand strategy or if it is part of a broader grand strategic framework. Some scholars argue that the rebalance is the absolute key to Obama’s grand strategy. For example, Simi Mehta, a researcher at Jawaharlal Nehru University, asserts that the rebalance is driven by the Obama administration’s desire to create a stable balance of power in response to aggressive Chinese behaviour in the East and South China Seas. Mehta maintains that the Obama administration is seriously committed to the rebalance in the long-term given official statements and the closing down of two American military bases in Europe. She argues that Obama’s engagement and reassurance of its allies is primarily motivated by an increasingly assertive Chinese leadership, which upsets its allies and partners in the region. Mehta views the rebalance as the fundamental element of Obama’s grand strategic vision. Likewise, Professor of International Affairs at George Washington University, Robert Sutter, contends that “the rebalance is the Obama administration’s grand strategy.”

38 Brands, *What Good is Grand Strategy?*, 199.
However, many scholars of grand strategy have argued that Obama has no grand strategy.\textsuperscript{42} Obama officials have long been aware that there is great skepticism that the rebalance is sustainable in light of sequestration and an American economy that has struggled to rebound after 2008.\textsuperscript{43} In March of 2014 at a defence industry conference, Katrina McFarland, the Assistant Secretary of Defense for Acquisition, said that “right now, the [rebalance] is being looked at again because, candidly, it can’t happen” due to budgetary constraints.\textsuperscript{44} Early on in the rebalance, it was announced that America’s defence budget was being cut by $487USD billion over the next decade.\textsuperscript{45} Sequestration led to a further $470USD billion reduction over the same time frame.\textsuperscript{46} Defence spending reductions pose major challenges to readiness and force structure. For example, it puts greater pressure on the number of force-deployed carrier strike groups that the United States can operate. The lack of fiscal discipline within the Pentagon makes sound strategic thinking improbable. Little integration takes place within the organization and instead of prioritizing missions the Pentagon tends to layer on additional missions.\textsuperscript{47} Moreover, scholars and commentators have argued that the rebalance is dead or being abandoned by Obama to focus on other international and domestic problems, especially following the cancellation of Obama’s attendance at the


\textsuperscript{44} Scott W. Harold, “Is the Pivot Doomed? The Resilience of America’s Strategic ‘Rebalance’,” \textit{The Washington Quarterly} 37, no. 4 (Winter 2015): 85.


\textsuperscript{47} Gordon Adams and Matthew Leatherman, “A Leaner and Meaner Defense: How to Cut the Pentagon’s Budget While Improving Its Performance,” \textit{Foreign Affairs} 90, no. 1 (January 2011).

In his 2012 book \textit{Limited Achievements: Obama’s Foreign Policy}, a Professor of International Relations at the Paris Institute of Political Studies, Zaki Laidi, argued that the Obama administration may be relatively coherent in its policies, but is not fundamentally driven by any grand strategy.\footnote{Zaki Laidi, \textit{Limited Achievements: Obama’s Foreign Policy}, Translated by Carolyn Avery (New York: Palgrave Macmillan, 2012), xiv.} Laidi states that Obama is committed to maintaining America’s military superiority, particularly over China, and that the United States refuses to be excluded from having a mediating role in the potential conflicts in Asia, especially over the South and East China Seas.\footnote{Laidi, \textit{Limited Achievements}, 155.} Yet, the Obama administration has not done so through its own proactive role, but by taking advantage of increasing tensions between China and its neighbours. By and large, Laidi points to an Obama government that is reactive to Chinese actions. Similarly, throughout his 2012 book \textit{The Rise of China}, Edward Luttwak argues that the rebalance does not represent a grand strategy; instead, it is just a way to reassure American allies concerned about Chinese assertiveness.\footnote{Edward Luttwak, \textit{The Rise of China vs. the Logic of Strategy}, (Cambridge, Massachusetts: Belknap Press, 2012).} Luttwak portrays the rebalance as having little real substance beyond mere rhetoric and symbolic actions.

Professor Victor Cha, director of the Asian Studies at Georgetown University and former Director for Asian Affairs in President George W. Bush’s National Security Council, makes the case that rebalance has been determined more by regional
dynamics than by a grand strategy. Cha argues that domestic politics in China, Japan, and throughout Asia has undercut any strategic plans that the White House may have had. Cha states that the Asia Obama expected coming into office was not the Asia he encountered and that policy, in general, is about adjusting to events. Vali Nasr, author of the 2013 book *Dispensable Nation: American Foreign Policy in Retreat* and Dean of the Johns Hopkins School of Advanced International Studies, goes even further and asserts that “President Obama has eschewed grand strategy and a global outlook.” While Nasr focuses on U.S. policy towards the Middle East, he argues that Obama’s foreign policy has essentially been to withdraw the United States from world problems.

This section outlines the grand strategies that scholars have used to describe Obama’s grand strategy and his approach to Asia, namely selective engagement, cooperative security, and primacy. While there are a number of grand strategies that scholars encourage the United States to adopt, such as neo-isolationism, cooperative defence, collective defence, restraintment, and liberal internationalism, these have not been used to describe Obama’s grand strategy. For this reason, they are not outlined in this thesis.

### 2.2.1. Selective Engagement

John Barry, a *Newsweek* magazine National Security Correspondent, argues that the Obama administration’s grand strategy is one of selective engagement, which stems from America’s domestic economic challenges and involves necessarily pulling back troops and bases from Europe and reducing national defence spending. Barry posits that the United States follows a maritime strategy, maintaining an offshore presence and intervening only when necessary to support its allies. While the shift to Asia is real, particularly on the military side according to Barry, the grand strategy calls on other

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regional powers to take the lead on major regional problems, especially in Europe and the Middle East. The Asia-Pacific region is the leading priority for the United States in its foreign policy.

Daniel Drezner, a Professor of International Politics at Tufts University, contends that Obama’s strategic thinking was first driven by a “multilateral retrenchment” whereby the United States could pullback its resources from the rest of the world in order to gain back a better world standing. Drezner states that the Obama administration felt that it was overextended internationally and had to focus on pressing domestic concerns. In doing so, it wanted to transfer more responsibility for reviving the global economy and for addressing global challenges on to the emerging powers, particularly China through the Obama administration’s embrace of the G20 over the G8. Drezner’s retrenchment characterization is similar to Barry’s selective engagement, although it does not prioritize American involvement and leadership in the Asia-Pacific region to the same extent. Yet, Drezner argues that Obama abandoned this grand strategy of multilateral retrenchment when he realized he could only achieve limited cooperation with the rising powers, especially China. Consequently, Obama switched to a more assertive grand strategy of “counterpunching” according to Drezner. The rebalance involved developing better relations with China’s neighbours to check China’s assertiveness. Hillary Clinton became especially vocal about and critical of China’s human rights record following the shift in grand strategy. The United States began to declare its national and global leadership.

Richard Betts labels the rebalance as “soft primacy,” which is more open to minimizing security commitments in less important regions to be able to retain them in others with the goal of preventing the rise of a peer competitor (China). Obama’s

administration has signalled its willingness to downsize its presence in Europe and the Middle East. Pushing the Chinese to engage its neighbours in multilateral mechanisms is a means to restrain China. During the Cold War, American officials in the senior Bush government complained that the Soviet Union was doing just this to the United States by trying to lock the United States into multilateral discussions.\(^{61}\) Also taking the position of selective engagement is Douglas Stuart, a Professor of Political Science and International Studies at Dickinson College, who states that Obama’s grand strategy is not fundamentally different from that of his predecessors with respect to the Asia-Pacific region. Stuart argues that the rebalance is a reassertion of America’s national interests in the region with an overriding concern to preserve a stable regional balance of power.\(^{62}\)

Amongst scholars and theorists within grand strategy literature, Brandeis University Professor of International Relations, Robert Art, is the leading advocate for selective engagement. He sees Obama’s adoption of selective engagement as basically inevitable. Art argues that sequestration and ongoing defence spending cuts force the Obama administration to prioritize certain regions such as the Asia-Pacific.\(^{63}\) Art posits that the American economy is losing importance in the world economy as China’s growth continues, and this gives the United States less leverage in global affairs.

### 2.2.2. Cooperative Security

President of the public policy think-tank, the New America Foundation, Anne-Marie Slaughter argues that the Obama administration’s grand strategy is informed by the principles of cooperative security. Slaughter references numerous Obama statements that speak of “respect” for universal values as a core American interest.\(^{64}\)


Slaughter argues that the Obama administration respects the rules-based international order to which it encourages all other countries to adhere. She believes that Obama’s government emphasizes common institutions to address global collective action problems. These challenges force governments to cooperate: Slaughter cites pandemics, terrorism, resource scarcity, food insecurity, climate change, and non-proliferation as examples. Slaughter contends that the cooperative security grand strategy stems to a great extent from the Obama administration’s recognition of its immense domestic challenges and constrained level of resources for defence abroad. She refers to various American defence officials' statements that emphasize non-military responses to international crises and the importance of America’s security partners for any military missions.

2.2.3. Primacy

Free University of Amsterdam researchers Bastiaan Apeldoorn and Nana Graaff argue that Obama’s grand strategy generally and in Asia “remains informed by a commitment to maintaining a global Open Door and to preserving...global hegemony as the basis of a liberal world order.” They see American financial elites as benefiting greatly from increased engagement with Asia and view Obama’s government as serving the interests of corporate elites. Apeldoorn and Graaff see the Obama administration as seeking a global free trade regime to advance American business interests. They point to the 2010 Obama National Security Strategy document that states unequivocally “there should be no doubt: the United States of America will continue to underwrite global stability.” Yale Professor of Public Policy, Hal Brands, also argues that at the core of

68 Apeldoorn and Graaff, “Corporate Elite Networks,” 158.
the Obama administration’s grand strategy is the pursuit of continued primacy.\textsuperscript{69} Brands asserts that Obama is looking for more prudent and cheaper ways to exert U.S. leadership abroad. Similarly, John Mearsheimer, a Professor of Political Science at the University of Chicago, contends that Obama’s grand strategy of primacy has been announced in various speeches by his first Secretary of State Hillary Clinton.\textsuperscript{70} Mearsheimer sees Obama’s administration as clinging to President Bill Clinton’s grand strategy driven by the pursuit and maintenance of hegemony. While there is a lesser focus on the military than the George W. Bush government by Obama, the emphasis on international institutions and allies are used to continue American global dominance.\textsuperscript{71} Jorn Dosch, a Professor of International Politics at the University of Rostock in Germany, argues that this attachment to primacy in Asia stems from historical, structural legacies that lead the United States to view the Pacific Ocean as its own lake and as a natural zone of American control.\textsuperscript{72} Dosch contends that the Obama administration’s emphasis on multilateralism is not a substitute for its core approach, which is primarily bilateral to advance U.S. national interests.\textsuperscript{73} He elaborates that rapidly expanded military ties with Southeast Asian countries are aimed at balancing China’s increasing influence; maintaining a strong naval presence to protect commercial sea routes, such as the Malacca Strait; and for a quid-pro-quo in that Southeast Asian governments have more opportunities to join free trade agreements with the United States if they augment their military cooperation with the Obama administration. In the end, Obama’s rebalance has the same goals as American presidents over the past few decades according to Dosch: preventing the rise of a regional hegemon; keeping commercial sea and air routes of transportation open; maintaining America’s preferential access to Asian markets through


\textsuperscript{71} Mearsheimer, “Imperial by Design,” 30.


\textsuperscript{73} Dosch, “The United States in the Asia Pacific,” 28.
a large naval presence; and strengthening security cooperation with regional partners and allies.\textsuperscript{74}

According to then Research Fellow at the Dalhousie University Centre for Foreign Policy Studies, David McDonough, the rebalance is directed at China and preserving operational access to the Western Pacific.\textsuperscript{75} McDonough asserts that the rebalance is chiefly about reassuring allies and bolstering access to defence bases for American naval and air forces. McDonough argues that Obama is seeking “selective primacy… a grand strategy that combines elements of primacy and selective engagement, [which] emerges from the country’s current economic and fiscal malaise.”\textsuperscript{76} Selective engagement involves emphasizing resources in certain regions at the expense of others less important or vital to U.S. interests. In the case of Asia, McDonough argues that Obama hopes that “primacy is retained in the one region that matters the most.”\textsuperscript{77} McDonough notes that American forces in Europe have been reduced by 15 percent. Despite the Obama administration’s emphasis on the increased non-military ties to Northeast and Southeast Asia, McDonough contends that even these components are intended to lessen Chinese influence in the region.\textsuperscript{78} The easing of American economic sanctions on Burma has a primary strategic dimension targeted at mitigating China’s dominance in the country. Likewise, America’s military and diplomatic engagement with India serves the purpose of attempting to check China. Primacy for the Obama administration, according to McDonough, has too many benefits to be discarded.\textsuperscript{79} It is too effective at containing near-peer competitors that threaten the traditional international order and at fighting terrorist groups around the world.

\textsuperscript{74} Dosch, “The United States in the Asia Pacific,” 33.
\textsuperscript{75} McDonough, “America’s Pivot,” 10.
\textsuperscript{78} McDonough, “Obama’s Pacific Pivot,” 166.
\textsuperscript{79} McDonough, “America’s Pivot,” 8.
Robert Ross, a Professor of Political Science at Boston College, asserts that the Obama administration’s grand strategy in Asia consists of a containment of China.\(^8^0\) Previous presidencies, Ross claims, aimed for a regional balance of power in Asia that prevented any hegemon from arising. A forward-deployed presence and bases in Asia served to divide the region. Ross sees the rebalance as unsustainable because it focuses on expanding relations with mainland states on China’s periphery whereas presidents before Obama emphasized offshore states in Asia to balance China’s rise.\(^8^1\) Ross argues that America’s attempts to advance relations with Indochina (particularly Cambodia and Vietnam) and South Korea are futile because its naval capacity cannot match China’s coercive capability.

Dartmouth College Professors Stephen Brooks and William Wohlforth, along with Princeton University Professor John Ikenberry, argue that the Obama administration has pursued a grand strategy of deep engagement. They contend that Obama has promoted a global liberal economic order and forged closer military relationships to America’s partners and allies in Asia.\(^8^2\) Brooks, Wohlforth, and Ikenberry conducted interviews with Obama officials who said that their Asian alliances give the United States greater leverage in free trade negotiations in the region and more authority in multilateral regional institutions.\(^8^3\) The authors believe that the Obama administration is motivated by a desire to reduce regional competition and check potential rivals to maintain its position of global leadership. Even with large defence spending cuts, they argue that Obama has maintained extensive engagement and U.S leadership abroad.\(^8^4\) Although it has a different name, deep engagement endorses the same principles as primacy.

Chapter 3. The Rebalance

3.1. Objectives and Background

Conducting a review of America’s place in the world in 2008, Obama and his closest advisers were disappointed by the contempt much of the world felt towards the United States. Upon taking office, Obama blamed President George W. Bush for the alienation of the United States from its friends and the international community. Obama’s White House was especially critical of what it saw as Bush’s unilateralism, arrogance, tendency to resort to force when other tools were available, and disdain for international institutions and rules. Obama hoped to restore and renew America’s image and legitimacy. In his 2006 best-seller The Audacity of Hope, Obama criticized U.S. foreign policy as “a series of ad hoc decisions, with dubious results.” He described America’s national security policy as needing consistency and guiding principles. A well-articulated “grand strategy” supported by the public and understood by the world would foster legitimacy for American engagement internationally. As exhibited by his lofty rhetoric, Obama wanted to have a transformative impact in foreign policy. He sought out to create a more just, inclusive, peaceful, and stable global order. At his 2009 Nobel

4 Obama, The Audacity of Hope, 303.
Prize acceptance speech, Obama stated that “no nation can insist that others follow the rules of the road if [they] refuse to follow them [themselves].”

Prior to becoming President, an anonymous former advisor to Obama stated that Europe was much lower on Obama’s agenda than the Asia-Pacific region. As chairman of the Senate Foreign Relations European sub-committee, Obama failed to convene a single policy meeting. Conversely, Obama has a deeper personal connection to Asia, spending four of his childhood years in Indonesia with his mother. In 2010, speaking in Indonesian at the University of Indonesia, Obama proclaimed “Indonesia bagian dari diri saya,” which means “Indonesia is a part of me.” He was socialized into a secular Islamic community in Jakarta wherein Catholicism, Protestantism, Buddhism, Hinduism, and Confucianism are recognized as official faiths; and people are free to follow any other religion. This was Obama’s first experience with Islamic culture. With the world’s largest Muslim population and third largest democracy, Obama continues to laud Indonesia’s pluralistic society. Indonesia is Southeast Asia’s informal leader, especially within ASEAN, the most powerful organization in the region. Obama’s upbringing in Hawaii, which is known for its tolerance towards European-American, Pacific Islands, and Asian cultures, also made him more sensitive to the issues faced by those in Asia. While he was first exposed to extreme poverty and desolation in Jakarta, Obama grew up comfortably in Hawaii wherein he began trying to find and create his own identity.

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10 Dinesh Sharma, Barack Obama in Hawai‘i and Indonesia: The Making of a Global President (Santa Barbara, California: Praeger, 2011), 108.
12 Sharma, Barack Obama in Hawai‘i and Indonesia, xxiii.
Obama speaks admiringly about the Hawaiian “aloha” spirit of tolerance towards different religions and ethnicities.\textsuperscript{13}

Although widely reported to have commenced as a priority in late-2011 when there was a flurry of announcements signaling America’ shift, the Obama administration considers 2009 to be the beginning of the rebalance. The ideas behind the rebalance were largely held by Obama’s team prior to his inauguration. Even though candidate Obama did not pronounce a clear China or Asia policy,\textsuperscript{14} Obama envisioned himself as becoming America’s “first Pacific president.”\textsuperscript{15} Before his first presidential election campaign, Obama sought out Geoffrey Bader, an expert on Asia, to co-chair his Asia advisory team.\textsuperscript{16} Bader would serve in Obama’s administration as the National Security Council’s senior director for East Asian affairs and special assistant to the President for national security affairs from 2009 until 2011. The foreign policy group agreed that alliances should be the heart of American engagement in Asia, America’s forward deployment must be sustained, differences with China could be managed and cooperative areas expanded, free trade ought to be broadened across the region, and Asia given a higher priority in U.S. foreign policy. They felt that Asia lacked an effective architecture for dealing with internal and external security problems.\textsuperscript{17} According to the Obama administration, a more robust “architecture” implies a collection of countries that is able to meet together in various mechanisms and institutions to cooperate more

\textsuperscript{13} David G. Winter, “Philosopher-King or Polarizing Politician? A Personality Profile of Barack Obama,” \textit{Political Psychology} 32, no. 6 (2011): 1062.


deeply on major challenges. Human rights and democracy promotion were not prominent in the early discussions of Obama’s foreign policy team.

While details of the rebalance were not worked out immediately upon Obama’s taking office (for example: there was a lengthy internal debate within Washington about whether or not to join the EAS), the fundamental goals of regional economic development, stability, and adherence to international rules were in place. The United States sought a “whole-of-government” approach, integrating military, economic, political, diplomatic, cultural, and humanitarian components. Some American foreign policy experts have stated that this “integrated strategy is unprecedented in modern American history.” Multilateral mechanisms had to be emphasized to gain back greater credibility and trust in the world. The Obama administration understood that it could not effectively tackle international problems alone.

Asian leaders made it clear to U.S. officials that they had felt neglected during the George W. Bush years. In particular, Southeast Asian governments believed that Bush was indifferent to their interests. Bush’s focus on the Middle East produced a perception among Asian leaders that the United States was disengaging from Asia. When Bush officials attended regional meetings in Asia, they pushed terrorism to the fore of the agenda, frustrating Asian leaders who came prepared to discuss other

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20 Gates, “America’s Security Role in the Asia-Pacific.”

21 Indyk, Lieberthal and O’Hanlon, Bending History, 58.


23 Gates, Duty, 322.

24 Clinton, Hard Choices, 43.
As a group, ASEAN disapproves of external powers that attempt to push its agenda. This has been a core principle of ASEAN since its founding in 1967, as Indonesia strongly drove this principle of non-interference by outside powers in Southeast Asia. The ASEAN Charter states that one of ASEAN’s goals is “to maintain the centrality and proactive role of ASEAN as the primary driving force in its relations… with its external partners.”

Following Bush’s presidency, Southeast Asian leaders sought tangible U.S. leadership, characterizing the United States as “diplomatically absentee.” On the contrary, China was pleased by Bush’s ignorance of regional issues because that provided Chinese leaders with more strategic space to maneuver quietly without American resistance. As a result, Obama hoped to signal the importance of American alliances in Asia. The initial step in revamping this image with its Asian allies was the hosting of Japan’s prime minister as the first state leader to visit Obama’s White House. In addition, Secretary of State Hillary Clinton’s first overseas trip was to Asia, instead of Europe as is tradition for new Secretaries of State. On that trip, Clinton visited the ASEAN headquarters in Indonesia, where she declared America’s intention to accede to the Treaty of Amity and Cooperation in Southeast Asia (TAC), the foundational treaty for ASEAN.

At the heart of the rebalance, the United States sought the continuation of regional economic and social development, stability, and peace, given that there remains a demand for U.S. leadership in Asia. As China rises rapidly, the United States hopes to influence the region’s development of norms and rules to be consistent

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32 Donilon, “The United States and the Asia-Pacific.”
with those of regional and international standards. The Obama administration also fears that China may be trying to carve out the region into spheres of influence that exclude the United States from exerting its leadership.\(^{33}\) China’s declaration of the East China Sea Air Defence Identification Zone (ADIZ) in November 2013 and a potentially forthcoming one over the South China Sea may illustrate these aspirations. China’s burgeoning military and assertiveness has led to greater sensitivity towards China’s interests in many cases,\(^{34}\) but also a greater demand for a larger, stabilizing American presence among most Asian countries.\(^{35}\) The desire for stronger military-to-military relationships with the United States among many Asian governments is as strong as it has been in recent memory.\(^{36}\) Over the past decade, Asia is experiencing the world’s fastest arms race, as military spending in East Asia has almost tripled and it has nearly doubled in Southeast Asia.\(^{37}\) Flashpoints in the South and East China Seas have the potential for large-scale escalation. Yet, the Obama administration recognizes that Asian governments expect the United States to pursue and have a productive relationship with China.

A robust American economic recovery is also linked to Asia’s continued development. By 2025, the region will account for over half of the world’s economic

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output and projections show Asia’s economic ascent will last for decades.\textsuperscript{38} The 2012 National Intelligence Council Global Trends 2030 report, which is published every four years following the presidential election, states that by 2030, “Asia will have surpassed North America and Europe combined in terms of global power, based upon [Gross Domestic Product], population size, military spending, and technological investment.\textsuperscript{39} The report suggests that China’s economy will surpass America’s before 2030. Throughout the Global Trends 2030 report, there is talk of a gradual transition from a unipolar world toward a different international system with more superpowers alongside the United States, mainly China. Currently, almost fifty percent of global goods are transported through the South China Sea and a majority of the world’s population resides in Asia.\textsuperscript{40} While American engagement in Asia has traditionally prioritized Northeast Asia, the rebalance has expanded efforts in Southeast Asia and beyond. China’s increasing economic and political leverage over ASEAN members and Southeast Asia’s geographic position as a maritime transit hub between the Pacific and Indian Oceans have fuelled the American government’s desire to have closer ties to Southeast Asia.\textsuperscript{41} China has become increasingly confident since the 2008 financial crisis exposed America’s economic weaknesses (and those of the Washington Consensus).\textsuperscript{42} Many Chinese felt that America’s economic, political, and military decline


\textsuperscript{41} Robert Kaplan, Asia’s Cauldron: The South China Sea and the End of a Stable Pacific (New York, Random House, 2014), 9.

\textsuperscript{42} Luttwak, The Rise of China, 237. The “Washington Consensus” is based on ten principles: 1) fiscal discipline, 2) reorientation of public expenditure, 3) tax reform, 4) financial liberalization, 5) unified and competitive exchange rates, 6) trade liberalization, 7) openness to foreign direct investment, 8) privatization, 9) deregulation, and 10) property rights. See Imad Moosa, The US-China Trade Dispute: Facts, Figures and Myths (Cheltenham, United Kingdom: Edward Elgar Publishing Limited, 2012), 68.
was coming after 2008. Furthermore, the Indian Ocean’s importance will only grow in the 21st century as a “center of world trade…connecting the Arab and Asian worlds.” Already, seventy percent of global petroleum products traverse the Indian Ocean, two-fifths of world trade pass through the Strait of Malacca, and forty percent of crude oil travels through the Strait of Hormuz.

The Obama administration argues that the rebalance should be viewed in the long-term, whereby the United States incrementally fulfills its strategic objectives. This leaves future presidencies with the ability to build off of the existing platform as they increase America’s engagement in Asia. In 2011, then Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell, said that the rebalance “will best be understood only in retrospect because [it is] difficult to understand the full scope without looking at it on a global basis.” Hillary Clinton asserts that much of the Obama administration’s efforts have been discreet because of dramatic headlines elsewhere and the nature of long-term investments in Asia. Clinton said that “there is less need for dramatic breakthroughs that marked earlier phases in [the United States-Asia] relationship…collaboration may not always be glamorous, but it is strategically significant.” While military forces can be re-deployed in a relatively short time, it takes more time for civilian hardware to restructure. Bringing about major improvements in relationships with allies, creating new partnerships, and negotiating free trade agreements are onerous tasks. As U.S. National Security Advisor Susan Rice articulates, Obama hopes to lay the foundations for the “sustained work of successive

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43 Shambaugh, China Goes Global, 4.
46 Campbell, “U.S. Engagement in Asia.”
47 Clinton, Hard Choices, 58.
49 Majority Staff Report, “Re-Balancing the Rebalance,” 25.
Key parts of the rebalance will not be realized during this presidency. America’s support for the development of Asia’s regional institutional architecture is intended as an enduring principle.

3.2. Six Components

The thesis now describes changes within each of the six major components of the rebalance as declared by Hillary Clinton in 2011: shoring up alliances; forging new partnerships; investing in multilateral institutions; expanding the regional economic architecture; shifting military assets to the Asia-Pacific region; and the projection of democratic values and human rights within Asia. There is overlap in many of the areas.

3.2.1. Alliances

The first element of the rebalance is the bolstering of treaty alliances with Thailand, the Philippines, Australia, South Korea, and Japan. As the White House’s 2010 National Security Strategy expressed, regional allies are the foundation of the rebalance.\(^\text{51}\) In the document, equal partnerships were specified as imperative to a durable American presence in the region. The United States hopes to reassure its partners that it remains committed to Asia amidst fears among Asian governments that the rebalance is unsustainable given American budget cuts and attention to crises elsewhere.\(^\text{52}\)


The United States emphasized closer military relations with Australia, notably the deployment of 2,500 American troops to Darwin and northern Australia by 2020. In 2012 and 2013, nearly 200 American soldiers went to Darwin, and in 2014 there were 1,050 U.S. Marines deployed there. Australia has highlighted the need to augment collective security in the Asia-Pacific, improving defence ties with the United States, Japan, India, and Vietnam as a measure to check China. Prime Minister Tony Abbott proclaimed that “the coming century will be an Asian one…but only if America is present to keep the peace and enforce the rules.” Yet, American engagement with Australia has been limited outside of the Darwin troop announcement. The American troops there would not be very effective in the event of a military confrontation with China, although they would be helpful to the region in a response to a natural disaster. Australia’s outback has large open spaces with extensive training taking place between the American and Australian militaries, especially at the Bradshaw training area, which is southwest of Darwin. In August 2012, Australia rejected a report released by an American think-tank commissioned by the Pentagon, the Centre for Strategic and International Studies, which recommended an American naval base and nuclear aircraft carrier group in Perth. Being in Western Australia, Perth would have been beyond the range of the Chinese military.

55 Luttwak, The Rise of China, 120.
Obama’s government has repeatedly stressed the importance of its alliance with Japan, yet it has conveyed its apprehensions about deteriorating Japanese relations with South Korea and China. Declining relations between the countries stem chiefly from the Japanese government’s mishandling of sensitive historical issues related to its colonial past. In February 2014, Japanese Prime Minister Shinzō Abe ordered a review of the 1993 Kono Statement, which apologized for the use of comfort women (mostly Korean) by the Japanese military before and during the Second World War. In 2013, Abe also upset China and South Korea by questioning the 1995 Murayama Statement, which apologized for Japan’s destructive and aggressive behaviour throughout the war and early 1900s. Rather than “releasing” Japan to counterbalance against China, the United States has encouraged Japan to act as a responsible regional leader. In December 2013, Vice President Joe Biden advised Abe against visiting the Yasukuni Shrine, where fourteen war criminals are honoured. The United States was unsuccessful in that case, as relations soured between Japan and China as well as Japan and South Korea. However, the United States achieved a breakthrough in its non-proliferation agenda in March 2014 when Japan gave up control over its nuclear stockpile to the United States. Hundreds of kilograms of plutonium and uranium were removed from the Japan Atomic Energy Agency and transferred to the United States (although some plutonium and uranium remains in Japan, where it first arrived in the 1960s from the United Kingdom for research purposes). This occurred in the wake of public Chinese outcries about its fear of Japanese right-wing political leaders driving Japan towards nuclear armament.

The United States has also encouraged Japan to “normalize” its military by revising its pacifist constitution, which renounces offensive war and prohibits the maintenance of armed forces, so that it can better defend itself and its allies. Japan’s gradual shift towards the “normalization” of its military is influenced significantly by its assessment of the sustainability (or lack thereof) of the American rebalance.63 Ironically, this has led to the United States being more satisfied with Japan’s increased military investment. The Obama government supports a larger contribution from Japan in all levels of regional security.64 While China and South Korea protested Japanese Prime Minister Shinzō Abe’s decision to drop its ban on collective self-defence in July 2014, U.S. Defense Secretary Chuck Hagel affirmed that Japan had enhanced avenues for bilateral cooperation.65 Japan’s reinterpretation of the constitution is qualified in that Japan can only “[aid] an ally with which it has a very close relationship.”66 Yet, the United States is Japan’s only official ally, which gives Japan the ability to assist the United States in humanitarian operations and to be a more active American security partner.67 Despite disagreements between Obama and Japanese Prime Minister Yukio Hatoyama of the Democratic Party of Japan (DPJ) between September 2009 and June 2010, the United States and Japan abandoned plans to relocate the Okinawa base amidst increasing fears about China’s growing assertiveness.68 Before resigning, Hatoyama had sought a more independent Japanese foreign policy and an equal partnership with the United States, but quickly realized the extent of his country’s reliance on the American military.

The American alliance with South Korea has not been as deep as with Japan and Australia during the Obama presidency. South Korea has not made any big

65 Hayley Channer, “Steadying the US Rebalance to Asia: The Role of Australia, Japan and South Korea,” Australian Strategic Policy Institute, Strategic Insights (November 10, 2014): 2.
67 Japan has close strategic partnerships with Australia, Thailand and the Philippines for example, but its only official ally is the United States.
68 Nigel Thalakada, Unipolarity and the Evolution of America’s Cold War Alliances (Palgrave Macmillan: 2012), 89.
gestures towards the United States in the way that Australia did with the Darwin deployment or Japan with its expanded defence capabilities.\textsuperscript{69} Most South Koreans have a deep cultural respect for China and recognize the Chinese market’s increasing importance to their own well-being.\textsuperscript{70} Many Korean elites resent the United States, perceiving the Korean War as the result of a Sino-American strategic game. While the United States is responsible for deterring any full-scale attack on South Korea, China is relied on to prevent any smaller attacks.\textsuperscript{71} The United States, Japan, and South Korea conducted numerous joint naval and air drills following North Korea’s sinking of the \textit{Cheonan} ship in March of 2010, which killed 46 South Korean crew members.\textsuperscript{72} South Korean President Lee Myung-bak was furious and discontinued virtually all of South Korea’s economic and political ties to the North after the incident.\textsuperscript{73} However, the United States and South Korea reversed their decision to conduct joint exercises in the Yellow Sea after Chinese officials strongly protested.\textsuperscript{74} China is sensitive to external military activity in the Yellow Sea given that other countries historically used the Yellow Sea as a gateway to Tianjin and Beijing. The naval drills were thus confined to the East Sea (or Sea of Japan). Trilateral cooperation between the United States, South Korea, and Japan has been limited on North Korea primarily due to tensions between Japan and South Korea.

Nonetheless, consultation levels with South Korea have been upgraded during the Obama administration to a “2+2” format, which means that both foreign and defence ministers are present.\textsuperscript{75} Within America’s alliances worldwide, this is only the case for South Korea, Japan, and Australia. 800 U.S. Marines have also been added to the

\textsuperscript{69} Channer, “Steadying the US Rebalance,” 3.
\textsuperscript{70} Luttwak, \textit{The Rise of China}, 169.
\textsuperscript{71} Luttwak, \textit{The Rise of China}, 175.
\textsuperscript{72} Ali, \textit{Asia-Pacific Security}, 157.
\textsuperscript{74} Bluth, \textit{Crisis on the Korean Peninsula}, 174.
\textsuperscript{75} Thalakada, \textit{Unipolarity}, 95.
contingent of 28,500 American soldiers in South Korea since 2008. After numerous North Korean provocations and subsequent South Korean requests, in 2010 the Obama government agreed to continue its wartime control over South Korea’s armed forces from 2012 until 2015. In April 2013, the United States deployed the Terminal High Altitude Area Defence (THAAD), a missile defence system, to Guam as a precaution against North Korea’s ballistic missile threat. In October 2014, following a further pattern of North Korean aggression the United States again agreed to retain its wartime command of Seoul’s military until the mid-2020s. At the G20 Summit in June 2010, Obama made a commitment to complete the free trade agreement (FTA) with South Korea. Negotiations over free trade with South Korea in November 2011 led to an agreement that demonstrated the power of the American bargaining position, signified by concessions made by South Korea on various labour and environmental clauses. Obama was also worried that if the United States did not complete the FTA with South Korea quickly (it entered into force in March of 2012), the EU would have the advantage in Korea’s market over the United States by completing its FTA with South Korea’s government first.

The Philippines has sought expanded military cooperation with the United States considering its perception of China’s assertive behaviour in the South China Sea. To supplement their existing security treaty, under Obama the United States and the

77 Harold, “Is the Pivot Doomed,” 94.
80 Bluth, Crisis on the Korean Peninsula, 105.
Philippines negotiated a framework agreement for American surveillance aircraft and forces to be based at Philippine facilities. The signing of the April 2014 United States-Philippines Enhanced Defense Cooperation Agreement, an executive agreement and not a formal treaty, was touted as a major milestone for the Obama administration. The 10-year security pact allows for American troops to be stationed on a rotating basis, when the Philippines had banned U.S. military bases in the country in 1992. It aims to build the Philippines' capacity in dealing with maritime security and natural disasters. Central though is that it “provides a legal framework for the increased rotational presence of U.S. armed forces in the Philippines,” although the details of how many troops and where they will be are still to be worked out. The Visiting Forces Agreements also provides the United States the ability to conduct drills in the Philippines. Joint military exercises between the Philippines and the United States have quadrupled between 2011 and 2014, the Subic Bay alone having more than 100 American naval visits in 2014 compared to 54 in 2011. The generous assistance provided by the United States after Typhoon Haiyan in the Philippines in November 2013 garnered goodwill from the Philippines.

Thailand became a major non-NATO ally in 2003, designated as such by President George Bush. Obama’s high-profile visit to Thailand in November 2012 immediately following his re-election was intended to revive cooperation with Thailand. As a result of the trip, Thailand joined the Proliferation Security Initiative, which was welcomed by the Obama administration in its efforts to build wider support for its non-

proliferation initiative. The Thailand and the United States also announced a Joint Vision Statement for the first time in more than five decades of bilateral relations. The statement focused on America’s training of Thailand’s military forces so that they could increase their contributions towards regional collective security, according to then Defense Secretary Leon Panetta. It included new ground in interoperability and readiness for bilateral and multilateral missions.

However, the joint statement involved few, if any, substantive measures. Generally, Thai officials have responded negatively to the rebalance. Thai ministries, academics, and private firms “concluded that Thailand must look beyond the US alliance, which was more advantageous during the Cold War, and strengthen engagement with China.”

Thailand rejected America’s request to access its U-Tapao air base. Thailand displays little interest in Cobra Gold, “the most elaborate annual U.S. military exercise in Southeast Asia,” which is held in Thailand. Beginning as a bilateral United States-Thailand operation in 1982, Cobra Gold is now the largest multinational exercise in Asia. In 2012, China’s military accepted an American invitation to the event for the first time as an observer. Two years later, China was invited to participate in the humanitarian operations though not in the war-fighting exercises. The exercises were intended as a strong demonstration of force to Chinese spectators. Thai participants tend to be lower-level military officers, as the higher-ranking officials regard the 10-day

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95 Hayton, The South China Sea, 229.
event as disruptive to their ongoing duties. United States-Thailand relations have been further hampered by the May 2014 coup d’état (against the caretaker government in place which had been the subject of major political protests since November 2013) led by General Prayuth Chan-ocha of the Royal Thai Army. Prayuth has consolidated his power ever since, cracking down on any opposition and banning discussions about democracy.\footnote{Cossa and Glosserman, "The Rebalance Remains a Reality," 9.} The Thai government protested the U.S. State Department’s July 2014 report characterizing it as having failed to address human trafficking.\footnote{Office to Monitor and Combat Trafficking in Persons, “Tier Placements,” U.S. Department of State, Trafficking in Persons Report 2014, Report, June 2014, http://www.state.gov/j/tip/rls/tiprpt/2014/226649.htm (accessed February 2, 2015).} Thailand has resisted the American rebalance, as few inroads have been made in the alliance.

3.2.2. Partnerships

Secondly, the Obama administration seeks new partnerships with China, India, New Zealand, and Southeast Asian countries. The pursuit of more harmonious relations with China is sometimes elevated to a core principle of the rebalance.\footnote{Donilon, “The United States and the Asia-Pacific.”} China is America’s second-largest trading partner and third-largest export market.\footnote{Michael D. Swaine, America’s Challenge: Engaging a Rising China in the Twenty-First Century (Washington, D.C.: Carnegie Endowment for International Peace, 2011), 4.} Essential for the United States is the management of inevitable competition, and cooperation on issues where there are common interests. Complementary interests include fighting terrorism, non-proliferation of nuclear weapons, global economic stability, environmental protection, and stopping the spread of epidemics.\footnote{Amitai Etzioni, “The Air-Sea Battle ‘Concept’: A Critique,” International Politics 51, no. 5 (2014): 590.} Obama was able to convince former Chinese President Hu Jintao that coordinated sanctions against Iran (to deter it from pursuing its nuclear ambitions) was a “core interest” of the United States and that China should cooperate if it wanted its core interests to be acknowledged.\footnote{Indyk, Lieberthal and O’Hanlon, Bending History, 196.} However, Chinese industries benefited economically from sanctions against Iran by filling the void of the
Western businesses that had been driven away by the sanctions. Many Chinese companies have failed to comply with the sanctions regime. In March 2009, Obama and Hu Jintao defused tensions following the harassment of the USNS *Impeccable* naval surveillance ship by numerous Chinese vessels near China’s Hainan Island (China claimed the American ship was within its exclusive economic zone [EEZ]). This was one of the tensest moments between the United States and Chinese militaries in the past decade. Then Secretary of Defense Robert Gates affirmed that competition can likewise benefit both countries, as long as it remains “peaceful competition.” The Obama administration aims for the optimum balance of managing competition and expanding cooperation in its China policy.

It also expects China to concede that the United States is an Asia-Pacific power with a legitimate role on the continent. The Obama administration contends that it is not containing China, but attempting to shape the environment for its choices. Enhanced dialogue mechanisms serve to mitigate the notion that zero-sum competition between the United States and China exists. The United States agrees with China’s catchphrase of nurturing a “new model of relations between major powers,” which is based on building cooperation, managing competition, and avoiding rivalry. However, Obama only accepts this if China acts as a constructive, responsible leader in the international community. At the 2011 APEC meeting in Hawaii, Obama proclaimed

105 Work, “Deputy Secretary of Defense.”
that China “must play by the rules in international relations.” Chinese officials have resisted this notion because they do not believe that China is ready yet to take on these responsibilities of upholding the international system while still developing, and because of what it sees as America’s inconsistent adherence to its own international duties. Some Chinese officials claim that America’s encouragement of China as a “responsible power” is a trap to force China to take on more international burdens than China can manage. China’s government is divided and unsure about what global governance should constitute for its own role. Thus, Obama’s attitude towards China became tougher after a softer, more conciliatory tone in his first year.

The Obama administration reiterates that improving United States-Chinese military-to-military relations through open communication channels is essential to confidence building and upgraded cooperation. The Obama government has tried to focus on less controversial aspects of its military relationship with China. Obama’s 2010 Nuclear Posture Review report removed provocative language regarding Taiwan that had been there since Bush’s first report in 2002, and the 2010 Quadrennial Defense Review (QDR) spoke mainly about China’s potential for cooperation on major global challenges. The establishment of the Strategic and Economic Dialogue (S&ED), which merged the Senior Dialogue and the former economic dialogue, aims to build confidence amongst high-level senior officials. Both the Treasury and State departments run the S&ED and Hillary Clinton’s early chairing of the discussions signalled its prioritization by

109 Odom, “What Does a “Pivot” or “Rebalance” Look Like?” 27.
111 Shambaugh, China Goes Global, 40.
112 Shambaugh, China Goes Global, 128.
the Obama administration. It continues to convene annual meetings between high-level civilian and military officials. Practical cooperative areas discussed have included counter-drug efforts, anti-proliferation, peacekeeping, humanitarian assistance, disaster relief, and counter-piracy. Unfortunately, the implementation has lacked follow-through and the meetings are held only annually as opposed to biannually under the old format when the Strategic and Economic dialogues were separate. American Congressional legislation also places limits on the amount and level of military-to-military exchanges possible with China.

Obama realizes that the biggest challenge to the United States-Chinese relationship may be economic, rather than military. Controversial in the relationship was Obama's September 2009 decision to place tariffs on Chinese-made tires to prevent further jobs from being lost to China. Hu Jintao was resentful but did not retaliate seriously. Chinese officials also rejected any notion of a Group of Two (G2) with the United States, arguing that it had to focus on its internal development and modernization. The idea of a G2 was not officially endorsed by the Obama administration, but was floated by many foreign policy pundits during 2009. The number of trade disputes between the United States and China is increasing, although Obama expects this to be the case as the economic ties between the countries expand.

118 Indyk, Lieberthal and O’Hanlon, Bending History, 65.
119 Shambaugh, China Goes Global, 77.
121 Ali, Asia-Pacific Security, 42.
disagreements with the EU on subsidies for agriculture, steel, and aircraft as well as the harmfulness of genetically modified foods; yet, the EU and the United States have a highly cooperative relationship. Obama’s government relies on businesses to help nurture the relationship with China, viewing it as a public-private partnership.  

American-Chinese cooperation on climate change has been difficult to achieve. At the 2009 United Nations (UN) Climate Change Conference in Copenhagen, the Obama administration knew that it had to negotiate with China given that the two countries are the world’s largest emitters of greenhouse gases. China’s leaders viewed the proposed EU agreement as unrealistic and instead called a secret meeting with India, Brazil, and South Africa. Obama heard about the meeting and pushed his way past Chinese officials to join in. He pressured Premier Wen Jiabao into approving a compromise by putting the onus of responsibility on China if the conference collapsed.

While the Europeans were unhappy, they understood the lack of viable alternatives and reluctantly accepted the non-binding deal Obama negotiated. Yet, following the conference Obama was blocked by Congress in his attempt to push legislation for cap-and-trade to fulfill the pledge to cut American carbon emissions to 17% below 2005 levels by 2020. This undermined the legitimacy of America’s agreement towards the non-binding compromise from Copenhagen. That being said, in June 2013, Obama and Jinping signed an agreement to eliminate hydrofluorocarbons, which was the first specific arrangement between the United States and China on climate change. They also agreed to upgrade discussions on energy policy to ministerial levels. The November 2014 United States-China joint announcement on climate change stated that the United States intends to reduce its emissions by more than one-quarter of its 2005 output level

\[125\] Campbell, “U.S. Engagement in Asia.”
[130] Hydrofluorocarbons come from air conditioning units. See Clinton, Hard Choices, 505.
by 2025 and that China’s carbon emissions aim to peak by 2030. While there are no binding targets, it is the first time that China has ever committed to peak its emissions.

The Obama administration has also sought improved intercultural exchange through the U.S.-China Consultation on People-to-People Exchange, which is the formal bilateral mechanism to discuss how to deepen intercultural understanding. The 100,000 Strong China is an educational exchange initiative that was officially launched by Hillary Clinton and Chinese Vice Premier Liu Yandong in May 2010 in Beijing to increase the number of Americans studying in China to 100,000 by the end of 2014. China’s government has strongly supported the initiative and by 2012 had committed 20,000 scholarships for American students to study in China. The Obama administration relies primarily on private businesses to fund the 100,000 Strong Foundation. Demonstrating the stark differences in human capital with direct knowledge of the other country, in 2011-2012, only 14,000 American university students were studying in China whereas China had 236,000 university students being educated in the United States. By July 2014, the target of 100,000 American students abroad in China had been surpassed. Secretary of State John Kerry has argued that this is critical for the long term as the younger generation of Americans begin to increasingly take up more positions of power.


Although China is central to the Obama administration’s thinking with respect to the rebalance, India is described as a “linchpin” within the strategy. India is the world’s largest democracy, has potential for tremendous economic growth, and has raised its profile in East Asia since establishing its “Look East” policy in 1991. India is on pace to add 320 million more people to its population by 2030, making it the world’s most populated country within the next 15 years. Trade between ASEAN and India is booming and will quickly surpass US$80 billion annually. Importantly, the United States and India initiated a strategic dialogue in 2010. India, the United States, and Japan have also launched a trilateral dialogue to discuss and develop more coordinated responses to problems along the Indo-Pacific corridor.

Yet, India is cautious not to agree to any formal alliance with the United States because that would hasten Chinese assistance to India’s neighbours, especially Pakistan, and India’s government fears that the United States may not be a reliable long-term partner because of its domestic challenges and the potential for alteration of U.S. policy towards China. In 2012 and 2013, U.S. Deputy Secretary of Defense Ashton Carter worked with the Indian government on increasing America’s technology transfer and the production of military assets inside India, but progress was constrained by bureaucratic barriers in both the U.S. and India as well as concerns in India about provoking China. India allocates more military resources to the potential threat of Pakistan than to China. There are noteworthy disagreements between the United States and India over Afghanistan, Pakistan, non-proliferation, trade, climate change, and Indian participation in the Shanghai Cooperation Organization (SCO) and Brazil-Russia-India-China-South Africa (BRICS) mechanism. India strives to retain an

137 Yun, “The Rebalance to Asia.”
independent foreign policy and it also envies China’s rapid economic progress. Indian leaders recognize their country’s value in geo-politics, and want to preserve their maneuverability in relations in Asia and within the Middle East. Appropriately, India’s response to the rebalance has been fairly measured.

After 25 years of little security interaction, New Zealand’s security relationship with the United States has been re-established as a result of the rebalance. Security ties had been cut by the United States in the 1980s after a major dispute over visits by American nuclear ships. Yet, in Obama’s first year, intelligence sharing between the countries was restored and New Zealand strongly supported U.S. membership in the EAS. The 2010 Wellington Declaration and the 2012 Washington Declaration are not binding, but have produced bilateral cooperation on maritime security, disaster relief, and humanitarian assistance. Secretary of Defense Leon Panetta visited New Zealand in November 2012, the first U.S. Secretary of Defense to do so in three decades. Panetta even suggested that the United States would be happy to station troops in New Zealand if New Zealand was open to hosting them. In 2014, a New Zealand naval ship docked at Pearl Harbour for the first time in 30 years and participated in the American-led Rim of the Pacific maritime warfighting training exercises.

The Obama administration pursues greater ties to ASEAN countries, especially Indonesia. The 2010 United States-Indonesia Comprehensive Partnership Agreement emphasized improving government-to-government and people-to-people relations, and

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144 Hagel, “Remarks by Secretary Hagel.”
145 Ayson, “Choosing Ahead of Time,” 347.
expanded cooperation in science, health, entrepreneurship, and technology.\textsuperscript{147} The United States re-established cooperation with Kopassus, the Indonesian army’s principal counter-terrorist arm, which has rebuilt itself after being found guilty of human rights violations in the past. Military ties between the United States and Indonesia were fully restored in 2010. There have been joint counterterrorism exercises; eight American AH-64E Apache helicopters were sold to Indonesia; and a multiyear deal involving the sale of 24 used F-16 fighter jets to Indonesia is being finalized.\textsuperscript{148} Indonesia supported America’s entry into the EAS, especially given Obama’s high popularity among Indonesian people.\textsuperscript{149} The United States and Indonesia participate in wider air combat drills as part of \textit{Pitch Black}, held in northern Australia, as well as in the maritime \textit{Southeast Asia Cooperation and Training (SEACAT)} exercises.\textsuperscript{150}

American relations with Singapore have strengthened as a result of the rebalance. The QDR, in fact, identified Singapore as a strategic partner of the United States.\textsuperscript{151} Singapore agreed to host up to four American Littoral combat ships.\textsuperscript{152} The rotating combat ships were intended to allow the United States to be able to rapidly conduct joint exercises with ASEAN navies. The first of the four ships deployed to Changi Naval Base for eight months in 2013 was used to conduct joint bilateral exercises with Singapore and multilateral ones with ASEAN.\textsuperscript{153} However, while the Littoral combat ships are small and fast, naval experts contend that they are limited in

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\textsuperscript{150} Ralph A. Cossa and Brad Glosserman, “Regional Overview: US Rebalances as Others Squabble,” \textit{Comparative Connections} 14, no. 2 (September 2012): 15.
\end{flushleft}
their usefulness because of their vulnerability to aircraft and missiles in the region. Then Defense Secretary Chuck Hagel was also quite skeptical of their effectiveness, cancelling nearly half of the Navy’s program to produce more of the combat ships. The 2012 Third Country Training Program between the United States and Singapore has led to the countries combining their resources to offer technical assistance to other ASEAN governments, especially in capacity-building areas. They have conducted training workshops on integrated water resource management for the Lower Mekong River. Southeast Asian officials have been trained on disaster relief, humanitarian assistance, road management, and energy efficiency among other topics.

Vietnam was mentioned as a potential “strategic partner” of the United States in the 2010 QDR. Hillary Clinton also made reference to Vietnam as a strategic partner on a visit to Hanoi later that year. In 2011, Vietnam and the United States signed a comprehensive memorandum of understanding. This was largely motivated by Vietnamese concerns about Chinese assertiveness over disputed islands in the South China Sea. Two years later, another step was taken with the signing of a comprehensive partnership. Vietnam’s foreign ministry conveyed to Washington that a comprehensive partnership was more in line with the bilateral relationship than a strategic partnership. Vietnam is a negotiating party to the TPP and some of Obama’s smaller economic initiatives in Southeast Asia. In October 2014, Secretary of State John Kerry announced a partial lifting of the American ban of military sales to Vietnam, allowing for the “transfer

of defence equipment...for maritime security purposes only.” Vietnam is still banned from buying most American weapons because of its poor human rights record. In fact, the 2013 comprehensive partnership document was fairly limited in its ambitions given the obvious differences in political systems between the countries. Regular high-level dialogue between the foreign ministries has not taken place either. Therefore, while bilateral relations have improved and been spurred on by Chinese behaviour in the South China Sea, there are limitations given Vietnam’s non-democratic regime.

Myanmar sits at Southeast Asia’s heart, strongly influenced by China and India. The Bush administration isolated Myanmar, refusing to meet its leaders because of the country’s deplorable human rights record. This approach forced ASEAN to choose between the United States and Myanmar. After the Obama administration’s review of U.S. foreign policy upon taking office, Obama tried an “overall engagement policy” with Myanmar. Obama’s government suspended or lifted many sanctions against Burma (in return for moderate reforms) and met Burmese leaders in an attempt to stimulate further democratic changes. After the first two years of the Obama presidency, the Obama administration was disappointed with the lack of political progress in Myanmar, but stuck with its engagement hoping that a change could be sparked. The Obama administration realizes that Myanmar is at the very early stages of a potentially lengthy democratic development. In late 2011, Clinton became the first Secretary of State to visit Myanmar in more than 50 years. Clinton sought to convey a message to the Burmese people that the United States would engage the country in the future. Obama became the first sitting U.S. president to visit Myanmar in 2012. In 2013, U.S. Defense

164 Clinton, Hard Choices, 105.
165 Bader, China’s Rise, 95.
166 Campbell, “U.S. Foreign Policy Goals and Objectives.”
168 Clinton, Hard Choices, 126.
Secretary Chuck Hagel asserted that the United States had begun engaging in limited military-to-military relations with Myanmar. Some Obama officials defend closer military relations because they argue that there is a “morality by osmosis” whereby direct contact with American military officials will rub off on Burmese generals and improve their ethics and respect for human rights. They also argue that Burmese leaders can be incentivized by offers of assistance or cooperation with the United States.

Since Obama’s first visit to Myanmar, political progress in the country has regressed by many accounts, especially with the growing persecution of the minority Rohingya Muslim community, continued ties between the Burmese and North Korean government, and an increasing number of land grabs against poorer rural citizens by the repressive Burmese government. Nonetheless, Obama took a second visit to Myanmar in November 2014 at the ASEAN summit and the United States has invited Burmese military officials to the *Cobra Gold* multilateral military exercises in Thailand since 2013.

### 3.2.3. Multilateral Regional Institutions

Thirdly, the Obama administration has made a concerted effort to participate in ventures with Asian institutions. Acknowledging that Asia’s organizations are “vastly less mature [and] less developed than elsewhere,” Obama felt that a serious commitment to entrenching a rules-based order required assisting in their development. The American government seeks a more effective ASEAN while recognizing that ASEAN is

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169 Hagel, “Remarks by Secretary Hagel.”


173 Russel, “Transatlantic Interests in Asia.”
mainly a discussion forum. It hopes that its support will produce incremental changes to ASEAN over the long run. That being said, the United States has attempted to bolster the EAS as the region’s premier security discussion mechanism; in contrast, ASEAN prioritizes the ARF. Hillary Clinton and other members of the Obama administration have also articulated that certain transnational threats such as piracy, human trafficking, and weapons proliferation require collective action and multilateral cooperation to properly address.

The United States has practiced what it describes as pro-active “forward-deployed diplomacy” in the Asia-Pacific. Asia has been the site of numerous high-profile visits by the president and Secretaries of States Clinton and Kerry and by lower-ranking diplomats and experts on a wide range of issues. Obama visited Asia five times during his first term; Clinton went 14 times throughout her time as Secretary of State; and Defense Secretaries Panetta and Gates travelled there a combined 13 times in Obama’s first four years. Even while many of these visits were more symbolically important, high-level attention is a scarce commodity at such high levels of government. During these visits, U.S. officials highlighted their respect for ASEAN centrality and “the ASEAN Way.”

Bob Gates argued that military strength is a vital deterrent for conflict, but requires sustained non-military ties to maintain stability in the first place. At the Shangri-La Dialogue in 2013, Hagel stated that the rebalance “is primarily a diplomatic,

175 Odom, “What Does a “Pivot” or “Rebalance” Look Like?” 11.
179 The ASEAN Way emphasizes patience, informality, pragmatism, evolution, and consensus, rejecting Western styles of diplomacy. It is low-key, inclusive, non-discriminatory, and strongly protective of the principle of non-interference in other states’ affairs. See Campbell, “U.S. Engagement in Asia.”
economic and cultural strategy." Former Secretary of Defense Chuck Hagel proclaimed that a cooperative security architecture boosts confidence and trust among its members. At the 2010 Shangri-La Dialogue then Defense Secretary Gates stated that multilateral dialogue reduces tensions to help a situation from escalating into a violent conflict. Kerry consistently asserts that the overwhelming majority of American actions in Asia are defensive. The Obama administration understands that China is bound to produce further backlash from its neighbours if it continues to pursue such expansive levels of military growth. The United States does not need to take controversial steps in Asia, which will inflame tensions in the region; aggressive Chinese behaviour has done much of the work of pushing Asian countries closer to the United States.

Clinton signed the TAC, an American ambassador post to ASEAN was created in 2011, the United States sought and gained membership in the EAS, and Obama hosted meetings with ASEAN leaders in each of his first two years. The United States has cooperative initiatives with APEC on public health and trade facilitation; ASEAN on education and economic support funding; the ARF on disaster preparedness; and the EAS on clean energy and transnational crime. It leverages its expertise in areas such as relief and reconstruction to build up goodwill. Seventy percent of global natural disasters occur in Asia, which costs the region nearly $7USD billion annually. Cooperation on these types of non-traditional security threats is more easily welcomed by Asian regional organizations, which are cautious not to antagonize China via greater

181 Hagel, “Remarks by Secretary Hagel.”
182 Hagel, “Secretary of Defense Speech.”
186 Bader, China’s Rise, 144.
187 Manyin et. al, “Pivot to the Pacific?,” 18.
188 Obama, The Audacity of Hope, 323.
traditional military cooperation. The ARF Disaster Relief Exercises (ARF DiREx), formed in 2009, has played a substantial role in preparing Asian governments for calamities and is the most notable regional multilateral undertaking.\textsuperscript{190} The United States has been a strong supporter of ARF DiREx although then-ASEAN chair Vietnam chose not to carry out the exercises in 2010.

The United States created the Lower Mekong Initiative (LMI) in 2009 to assist less-developed ASEAN members (Myanmar, Cambodia, Laos, Thailand, and Vietnam) in supporting education, healthcare, infrastructure, and the environment. It aims to close the development gap within ASEAN.\textsuperscript{191} The main issues on this agenda are water, energy, food security, and female empowerment.\textsuperscript{192} Creation of an integrated water management arrangement for the Mekong River is a priority given the detrimental economic, environmental, and social consequences that Chinese dams in the upper portion of the river have on the parts downstream.\textsuperscript{193} Many downstream rivers have been devastated and all freshwater systems are under pressure.\textsuperscript{194} The Mekong River Commission (MRC), the intergovernmental body that mediates disputes related to the river, faces multiple challenges. The MRC is a consensus-driven grouping wherein members have historically had difficulties coordinating, especially given China’s reluctance to deliberate on sustainable development.\textsuperscript{195} Sustainability has been underlined in the LMI given the rapid deforestation taking place in the area due to the palm oil industry.\textsuperscript{196} The LMI aims to integrate its activities with those of the MRC.\textsuperscript{197} The

\begin{itemize}
\item \textsuperscript{191} Myanmar was added to the LMI in 2012 after demonstrating greater respect for human rights and democratic principles. See Campbell and Andrews, “Explaining the US ‘Pivot’,” 6.
\item \textsuperscript{194} Gregson, “Rebalancing U.S. Security Posture,” 46.
\item \textsuperscript{195} Chang, “The Lower Mekong Initiative,” 299.
\end{itemize}
LMI is the only forum in the region for tackling cross-border development and political hurdles faced by these lesser developed states.198 These countries have seen major funding increases for infrastructure development projects. LMI members have “advanced the vision of narrowing the development gap in ASEAN and accelerating economic integration in the lead-up to establishing the ASEAN Economic Community in 2015.”199

The Obama administration views the EAS as the premier regional security platform. Obama was the first U.S. head of state to attend the EAS.200 The EAS is preferred because it often defines the agenda for ASEAN-related institutions including the ARF and the ASEAN Defence Ministers’ Meeting Plus, and it includes India, Australia, New Zealand, and ASEAN+3.201 ASEAN+3 is made up of the ASEAN members plus China, Japan, and South Korea. Despite not taking a position on the territorial disputes themselves, the United States advocates for the negotiation of a China-ASEAN Code of Conduct and a freeze on any controversial activity in the South China Sea.202 This framework would establish hotlines between ASEAN countries and China to mitigate the potential for escalation. While the Chinese government prefers bilateral mechanisms to settle the maritime disputes since these provide the most leverage to them, Southeast Asian governments prefer multilateral channels to negotiate more equally.203 ASEAN states created the ARF partly to ensure continued American involvement in Asia and to hold China accountable within a rules-based, multilateral arrangement.204 Yet, the ARF operates by consensus and rarely discusses specific

203 Dyer, *Contest of the Century*, 94.
problems, making it appealing to China at the same time.\footnote{Indyk, Lieberthal and O’Hanlon, \textit{Bending History}, 58.} The Chinese repudiate America’s involvement; China favours bilateral settings and ASEAN+3. China’s historic tributary system has instilled in its leaders the sense that bilateral diplomacy is the only effective way of resolving their problems.\footnote{Luttwak, \textit{The Rise of China}, 34.} Nevertheless, Congress’s refusal to ratify the UN Convention on the Law of the Sea (UNCLOS) inhibits the United States from having a more authoritative voice at international forums on maritime issues. China has used divide-and-rule tactics with ASEAN, targeting Cambodia because of its heavy reliance on the Chinese economy.\footnote{Dyer, \textit{Contest of the Century}, 124.} Relations between Cambodian Prime Minister Hun Sen and Obama have been shaky because of Obama’s frank private objections regarding Sen’s crackdown on political opposition.\footnote{Simon, “High-Level Attention,” 62.}

On North Korea, Obama’s administration has practiced what it describes as “strategic patience” whereby its first principle is alliance coordination with South Korea.\footnote{Scott Snyder, “US Policy toward North Korea,” \textit{SERI Quarterly} 6, no. 1 (January 2013): 99.} Any serious effort to change North Korean behaviour would have to account for the North-South Korean relationship. This differs from the previous Bush administration’s approach, which took a harder-line against North Korea without accounting for South Korea’s concerns about the potential consequences of a collapse of the North Korean regime.\footnote{Andrew J. Nathan and Andrew Scobell, \textit{China’s Search for Security} (New York: Columbia University Press, 2012), 135.} Strategic patience implies that the United States would wait for the North Korean regime to eventually drop its nuclear ambitions before engaging it. Obama suspended American participation in the Six-Party Talks until North Korea makes credible steps towards denuclearization.\footnote{Glyn Davies, “U.S. Policy towards North Korea,” \textit{U.S. Department of State}, Special Representative for North Korea Policy, Statement before the Subcommittee on Asia and the Pacific of the House Committee on Foreign Affairs Washington, DC, July 30, 2014, http://www.state.gov/p/eap/rls/rm/2014/07/229936.htm (accessed September 5, 2014).} The Obama administration designated four of its 16 special envoys worldwide to North Korea (one for North Korea, one for the Six Party Talks, one to monitor the human rights situation in the country, and
one for the implementation of UN sanctions against North Korea). The United States has utilized trilateral mechanisms with Japan and South Korea as well as UN sanctions against North Korea in an attempt to force it to the negotiating table. Following military threats by North Korean officials against South Korea in March of 2013, the United States and South Korea released a Counter-Provocation Strategy to deter North Korea and reassure South Korea’s population. The publication of the document was surprising, as military plans against North Korea are typically secretive. If South Korea was attacked by the North, American and South Korean officials would resort to proportional counter-strikes directed at the source of the attack with similar weaponry. In addition, the United States has demonstrated strong displays of force to North Korea, including the use of B-2 bombers, which are capable of carrying nuclear weapons. Problematic has been China’s unwillingness to pressure North Korea’s regime, hampering major changes to North Korean behaviour or steps toward denuclearization. China values North Korea as a buffer state in Northeast Asia and has concerns about the ramifications of the regime collapsing. Korean unification could favour South Korea’s (and America’s) interests over China’s, military escalation and intervention may result, and the Yanbian Prefecture (an ethnically Korean part of Northeast China) would face enormous numbers of refugees from Korea. Throughout the Obama presidency, the United States has held to its policy of strategic patience towards North Korea.

Obama supported the transition from the European-dominated G8 to the G20, which is more representative of rising powers’ increasing global economic power. At the 2009 G20 Summit in Pittsburgh, the G20 was designated by the leaders as the “premier forum for international economic cooperation.” This change impacts Asia greatly because within the G20 it has representation by China, Japan, India, Indonesia,

212 Cha, “The U.S. Alliance System in Asia.”
214 Indyk, Lieberthal and O’Hanlon, Bending History, 214.
215 Campbell, “U.S. Engagement in Asia.”
and South Korea while in the G8 it is only represented by Japan. The G20 was founded in 1999 partly in response to the Asian economic crash, yet it held its first summit in Washington in 2008.\textsuperscript{217} The replacement of the G8 by the G20 as the world’s premier economic body was accelerated by the 2008 financial crisis. The United States realized that the recovery of the global economy could not be managed without the leadership and participation of emerging powers such as China, Brazil, and India.\textsuperscript{218} China’s stimulus package was the world’s largest in 2009.\textsuperscript{219} China criticized the United States for its part in triggering the financial crisis, but fulfilled its 2009 London and Pittsburgh summit commitments.

Even though Asia’s numeric representation has increased in the G20, there has been little concerted coordination by Asian governments.\textsuperscript{220} The G8 is underpinned by respect for the values of democracy and freedom among its members, whereas the G20 has many different value systems and a larger membership makes it more challenging to coordinate.\textsuperscript{221} The G20 further lacks a centralized bureaucracy.\textsuperscript{222} Japan prefers the G8 given its role as Asia’s lone representative. On the other hand, China is central to the G20 whilst antagonistic towards the G8.\textsuperscript{223} China stresses its “developing” status lacking the capabilities and willingness to take on the responsibilities of a global leader, and thus views the G20 as more of an opportunity to gain greater recognition. Western countries have found it difficult to pursue their interests within the G20.\textsuperscript{224} The United States was disappointed by its inability to persuade other G20 members to pressure China to

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\item \textsuperscript{217} Indyk, Lieberthal and O’Hanlon, \textit{Bending History}, 31.
\item \textsuperscript{219} Indyk, Lieberthal and O’Hanlon, \textit{Bending History}, 31; Destler, “First, do no Harm,” 212.
\item \textsuperscript{221} Dobson, “Asia Shaping the Group of 20,” 114.
\item \textsuperscript{222} Reardon, “Shifting Global Paradigms,” 112.
\item \textsuperscript{223} Dobson, “Asia Shaping the Group of 20,” 113.
\end{itemize}
\end{footnotesize}
change its ‘managed’ exchange rate system. Obama also failed in his effort to establish a code of behaviour within the G20 to limit trade surpluses and foreign reserves.\textsuperscript{225}

The United States has shown apathy in providing leadership for the Doha Development Agenda and for other multilateral trade talks given the increasing geopolitical shift of economic power towards emerging markets.\textsuperscript{226} The American position has been that the Doha Round does not sufficiently serve its interests and it was not supported by its own agricultural or organized business constituencies.\textsuperscript{227} Also unable to prevent China, India, and Brazil from creating deadlock at the World Trade Organization (WTO) on lowering the safeguards necessary for agricultural imports, the Obama administration was more motivated to centre its economic policy towards Asia on the TPP.\textsuperscript{228} Obama was disappointed that he could not get the WTO to investigate China’s trade practices more seriously. Between 2009 and 2012, the United States won some cases against China in the WTO in the areas of solar energy, automobile exports, rare earths, and intellectual property rights, but these cases took a long time to settle and China did not fully comply with all of the rulings.\textsuperscript{229} Frameworks such as the TPP may eventually serve as an alternative to the WTO.\textsuperscript{230}

3.2.4. Economic Engagement

The fourth dimension of the rebalance is the fortification of the regional economic architecture primarily through the high standards the TPP would set.\textsuperscript{231} The TPP was first conceived of in 2005, when Brunei, Chile, New Zealand and Singapore planned an FTA. The TPP was intended to liberalize members’ trade policies and boost economic

\textsuperscript{225} Reardon, “Chapter 5: Shifting Global Paradigms,” 114.  
\textsuperscript{227} Destler, “First, do no Harm,” 210.  
\textsuperscript{228} Palit, \textit{The Trans-Pacific Partnership}, 143.  
\textsuperscript{230} Palit, \textit{The Trans-Pacific Partnership}, 156.  
\textsuperscript{231} Donilon, “The United States and the Asia-Pacific.”
growth and investment flows between the countries, as more countries expressed their interest in joining over time.\textsuperscript{232} TPP negotiating parties now also include Australia, Canada, Japan, Malaysia, Mexico, Peru, the United States, and Vietnam; Thailand and Taiwan have expressed interest in joining. Negotiations were scheduled to commence in March of 2009, but Obama delayed the start date to undertake a 6-month review of America’s trade policy.\textsuperscript{233} In November of 2009, Obama announced America’s readiness to negotiate over the TPP while being pressured by Asian leaders during a trip to Singapore for the APEC meetings.\textsuperscript{234} The Obama administration hoped that if the TPP could be negotiated quickly, it would help contribute to the doubling of American exports in five years and an increase of two million American jobs.

By taking on a binding approach and many “next-generation issues,”\textsuperscript{235} TPP negotiations have advanced using the model of the U.S. FTA with South Korea.\textsuperscript{236} The TPP aims to eliminate and streamline tariffs on almost 11,000 tariff lines to increase market access.\textsuperscript{237} Respect for fair competition in investment, labour, the environment, automobiles, state-owned enterprises, and agriculture is central.\textsuperscript{238} Obama reiterates that the TPP predates American involvement and some negotiating countries are also part of the Chinese-led Regional Comprehensive Economic Partnership (RCEP) negotiations.\textsuperscript{239} The TPP is open to all Asian countries, including China, if they adopt TPP standards. Even though China dismissed the TPP early on, China has recently indicated its interest in participating in the negotiations.\textsuperscript{240} Because only Brunei, Singapore, Vietnam, and Malaysia are official parties to the negotiations from Southeast

\textsuperscript{233} Searight, “The United States and Asian Regionalism,” 115.
\textsuperscript{234} Destler, “First, do no Harm,” 214; Searight, “The United States and Asian Regionalism,” 119.
\textsuperscript{235} Palit, \textit{The Trans-Pacific Partnership}, 22-23.
\textsuperscript{236} Palit, \textit{The Trans-Pacific Partnership}, 24.
\textsuperscript{239} Russel, “Transatlantic Interests in Asia.”
Asia, Obama established the Expanded Economic Engagement (E3) Initiative to help ASEAN members meet TPP standards through a non-binding arrangement.\textsuperscript{240} Particularly, the E3 seeks to boost opportunities for small- and medium-sized businesses in the poorer ASEAN countries. The United States supports efforts by ASEAN to enact a single-market economic community.\textsuperscript{241}

Yet, within the TPP negotiations the United States has not pushed for a unified market access deal.\textsuperscript{242} Instead, it has used tariff commitments within its existing bilateral FTAs as a benchmark to appease its protectionist interests (and those sensitive ones within its allies). The United States has FTAs with Australia, Chile, Peru, and Singapore already.\textsuperscript{243} Negotiations have thus involved bilateral compromises inside the broader multilateral agreement. For example, the TPP legitimates exceptions such as sugar standards in the United States-Australian FTA.\textsuperscript{244} Achieving regulatory convergence between members will be arduous. Domestic politics serve as the toughest challenge to China’s entry into the TPP with its state-owned enterprises being the biggest hurdle.\textsuperscript{245} Asian economic regional arrangements, such as RCEP, differ fundamentally from the TPP based on their ASEAN centrality, non-binding and voluntary nature, and less extensive coverage of issues.\textsuperscript{246} The United States has free trade deals with countries in Asia such as South Korea and Singapore, which are regarded as economically more open, but many TPP participants like Vietnam and Malaysia have larger state sectors and are more inward-looking in their domestic policies.\textsuperscript{247} Overall, Obama has been criticized for not investing the energy and time into pressing Congress, including


\textsuperscript{242} Palit, The Trans-Pacific Partnership, 27.


\textsuperscript{244} Palit, The Trans-Pacific Partnership, 28.

\textsuperscript{245} Palit, The Trans-Pacific Partnership, 7.

\textsuperscript{246} Palit, The Trans-Pacific Partnership, 83.

\textsuperscript{247} Palit, The Trans-Pacific Partnership, 35.
Democrats in the Senate, to provide him with trade promotion authority to be able to negotiate the TPP more quickly and credibly.\textsuperscript{248} In almost all of America’s historic FTAs, presidents have sought trade promotion authority prior to negotiations.\textsuperscript{249} Not attaining trade promotion authority beforehand makes it more difficult for other negotiating parties to take the U.S. position credibly because they expect a diluted deal when Obama finally does have to bargain with Congress to obtain it.

Furthermore, the Obama administration opted out of the China-led Asian Infrastructure Investment Bank (AIIB), first proposed by China in 2009 and signed into agreement by 21 Asian countries in October of 2014 (an agreement to establish the bank, not its official launching).\textsuperscript{250} China’s government has stated that it would use its enormous capital to help the AIIB focus on practical, infrastructure needs in Northeast Asia, Southeast Asia, and South Asia, especially roads and mobile phone towers. It invited non-Asian members to join including the United States and the EU, stressing that the bank would complement, rather than replace, institutions such as the World Bank. Nonetheless, Obama’s government strongly pressured its allies, particularly Australia, to reject membership in the AIIB.\textsuperscript{251} Japan, already concerned that the AIIB would undermine the Japan-led Asian Development Bank (ADB), opposed its creation. Japan has more than twice the voting share of China in the ADB and the president of the ADB has always been Japanese.\textsuperscript{252} Australia, Japan, and the United States cited the low governance standards of the AIIB as the main reason for opting out.\textsuperscript{253}

\textsuperscript{248} Walker, “Is America’s “Rebalance” to Asia Dead?”


\textsuperscript{250} Indonesia also became a member of the bank in November of 2014. See Alice D. Ba, “Is China Leading? China, Southeast Asia and East Asian Integration,” Political Science 66.2 (December 2014): 163.


\textsuperscript{252} S.R., “Why China is Creating a New “World Bank”.”

\textsuperscript{253} Although, Australia later decided to join the AIIB in March 2015.
At the end of the fifth U.S.-China S&ED in July 2013, it was announced that negotiations between the United States and China over a Bilateral Investment Treaty (BIT) had begun. This represented “the first time that China has agreed to negotiate a BIT that includes all stages of investment and sectors.” Obama remarked that he hoped the BIT would create a “more level playing field” by empowering American businesses to better compete with Chinese companies and invest more in China. According to the BIT, investment from a foreign entity should be treated the same as one from a domestic entity. In November 2014, Obama and Xi agreed that the countries would exchange their “negative lists” in early 2015. Areas on these lists are ones that are excluded from the BIT, as the governments have to opt out of these protections.

3.2.5. Force Projection

The fifth component of the rebalance is force projection. Obama officials stress that a flexible and geographically distributed naval and air presence in the Asia-Pacific is necessary to ensure peaceful resolution of disputes and support a foundation for long-term prosperity in Asia. This involves a far greater military presence in Southeast Asia and Oceania given the traditional American focus on its bases in Northeast Asia. As the 2012 U.S. Force Posture Strategy in the Asia Pacific Region report released by the prominent think-tank, the Center for Strategic and International Studies, America’s force


posture in Southeast Asia is based on not having a large permanent footprint. The Obama administration feels that the United States must be more sensitive to local resistance to American bases in Asia and instead pursue more rotational troop deployments and access agreements. To have a more sustainable presence, Obama’s government helps to and encourages the capacity-building of its allies and partners through increased joint exercises and training.

In June 2014, U.S. Secretary of Defense Chuck Hagel gave China an ultimatum “to unite and recommit to a stable regional order, or to walk away from that commitment and risk the peace and security that have benefited millions of people throughout the Asia-Pacific.” China’s assertiveness over its borders and the South and East China Seas in recent years is reviving territorial disputes with India, Japan, Vietnam, and the Philippines. This has led to calls for closer defense ties with the United States among these governments. By 2020, the United States plans to deploy 60 percent of its navy in the Asia-Pacific region, as opposed to the traditional 50/50 split between the Pacific and Atlantic Oceans. This includes a net increase of one aircraft carrier, three Zumwalt destroyers, four destroyers, two submarines, and ten Littoral Combat Ships. The flurry of bilateral defense announcements between the United States and its various partners and allies in Asia in 2011 and 2012 led to concerns among most Asian leaders that the rebalance was too fixated on the military. Consequently, beginning in late 2012 Donilon and the White House began to drop the prominence of force projection in various speeches and statements.

America’s new defence strategy specifies its challenges as emanating predominantly from Asia.\textsuperscript{265} The Department of Defense considers the military, cyber, and space capabilities of China’s People’s Liberation Army (PLA) to be threatening to American interests in Southeast and Northeast Asia.\textsuperscript{266} While China may not challenge America symmetrically for many years, it poses a greater threat in asymmetric areas such as cyber-attacks. The 2010 QDR commented on the PLA’s unwillingness to share information about its military modernization.\textsuperscript{267} Obama officials have frequently pressed their counterparts in China to be more transparent about China’s defence spending.\textsuperscript{268} This has generated unease in the Pentagon about China’s long-term intentions. There are concerns in the Pentagon about America’s ability to defend Taiwan given the PLA’s aggressive military posture, geographic advantages, and accumulation of intermediate-range missiles.\textsuperscript{269} China’s latest medium-range ballistic missiles are capable of striking all of Japan and its land-attack cruise missiles have range as far as the Philippines and Japan.\textsuperscript{270} The PLA has further expanded markedly its fire support, power projection, cyber, and anti-satellite weapons capabilities.

Improved coordination between the Navy and Air Force has been emphasized by the American military establishment to inhibit China’s ambitions more efficiently. The United States aims for “elastic cohesion,” the idea that its military fleet can be widely dispersed, yet swiftly concentrated if necessary.\textsuperscript{271} In order to protect the high level of resources being allocated towards the Navy and Air Force, the Army is being reduced significantly in all of its components (National Guard, Reserve, and Regular Army).\textsuperscript{272} The Pacific Command (PACOM), located in Hawaii and responsible for nearly half of the Earth’s surface area, has been adamant about protecting American hegemony in

\textsuperscript{266} Gates, \textit{Duty}, 528.
\textsuperscript{268} Friedberg, \textit{A Contest for Supremacy}, 43.
\textsuperscript{269} David W. Kearns, Jr, “Air-Sea Battle and China’s Anti-Access and Area Denial Challenge,” \textit{Orbis} 58, no. 1 (Winter 2014): 133.
\textsuperscript{270} McDonough, “America’s Pivot,” 19.
\textsuperscript{271} Work, “Deputy Secretary of Defense.”
Asia. The 2010 Air-Sea Battle (ASB) concept is the Pentagon’s response to China’s Anti-Access/Area Denial (A2/AD) strategy. While it is more of an evolution of American defence strategy than a fundamental overhaul, A2/AD is designed to stop an adversary’s movement to and within a specific theatre of potential conflict. Understanding that it could not match America’s military one-for-one, China has been developing an asymmetric strategy with capabilities to exploit American vulnerabilities including outdated American computer and satellite systems. Pentagon officials contend that ASB is directed at neutralizing all A2/AD schemes, but the threat emanating from Iran (the only other state with a developed A2/AD system) is limited and can likely be subverted with conventional forces. ASB assumes that every domain (cyber, air, space, land, and maritime) will be challenged in America’s attempts to access the Western Pacific in the event of a major conflict.

ASB concentrates on the PLA’s weakest links in the chain of command, namely in control, communications, computers, intelligence, surveillance, and base launchers. It threatens a first-strike onto mainland China to disable Chinese long-range missile launchers and surveillance systems and networks, thus crippling China’s capacity to launch submarine attacks in its coastal waters and offensives into Taiwan. The American military would seek to take the initiative if conflict was to arise. ASB has been advertised as a means to make the American military so overwhelmingly superior that it deters China from even considering resorting to military measures.

In the case of aggressive Chinese behaviour over the contested Senkaku Islands, the United States affirms its commitment to its security alliance with Japan.

because Japan has administrative authority over the islands. U.S. officials have said that the United States would support Japan in “retaining administrative control of the islands.” When the Chinese declared an ADIZ over much of the East China Sea in November 2013, the United States denounced the declaration and immediately flew two B-52 bombers through that airspace.

The United States also criticizes China’s “pattern of provocative and unilateral behaviour” around the South China Sea. In response to assertive Chinese behaviour in 2010, the United States indicated its commitments to its allies and to the peaceful resolution of territorial disputes through Hillary Clinton’s speech at the July ARF meeting. Clinton rejected China’s outright claim to the South China Sea in favour of an approach of “principle” hinging on a negotiated code of conduct between China and ASEAN. Clinton’s raising of the South China Sea disputes was the first time that they had been raised at an ARF meeting and the first time that such a high-ranking American official outlined America’s official policy on the South China Sea. This gave the following ASEAN member states’ leaders the political cover and confidence necessary to take up the issue within their speeches as well. China claims over 80 percent of the South China Sea, although it has not referenced the specific land features that it owns. U.S. officials consider China’s “nine-dashed line” as dubious. The nine-dashed line is vague and without precise coordinates, but is based on China’s assertion of

281 The Senkaku Islands are known as the Diaoyu Islands in China and the Diaoyutai Islands in Taiwan. See Kerry and Lew, “Interview with Wang Guan.”
282 Work, “Deputy Secretary of Defense.”
283 Clinton, Hard Choices, 74.
285 It should be noted that the rumours that China added the South China Sea to its “core interests” in 2010 remain unconfirmed. See Sebastian Heilmann and Dirk H. Schmidt, China’s Foreign Political and Economic Relations: An Unconventional Global Power (Rowman & Littlefield: Lanham, Maryland, 2014), 4.
286 Nasr, The Dispensable Nation, 249.
287 Hayton, The South China Sea, 191.
288 Indyk, Lieberthal and O’Hanlon, Bending History, 47-8.
“historic waters.” China’s claim to the Spratly Islands and Paracel Islands hinges upon references to the islands in ancient documents. Yet, the texts do not identify which islands are specified. China’s claim infringes on the EEZ of other claimants, but is not technically illegal under UNCLOS because it is not demarcated by longitude and latitude. However, UNCLOS makes no mention of historic rights, which are the grounds for China’s claim.

With respect to the territorial disputes in the East or South China Seas, the United States only takes a position on how the claims are resolved. It takes no side “on any competing sovereignty claim.” The United States opposes actions that undermine freedom of navigation and regular trade relations. Kerry asserts that the United States “cannot impose solutions on the claimants in the region,” but that it favours good-faith negotiations such as those between Indonesia and the Philippines, which resulted in a settlement after twenty years of disputes. After leaving office, Kurt Campbell explained that the Obama administration believes that there are no realistic short-term solutions for the disputed islands (that would satisfy all parties), so the Obama government feels that it is better to wait for a resolution in the future. Regarding intensifying disputes between China and the Philippines over contested islands in the South China Sea, Obama officials have emphasized that the 1951 Mutual Defense Treaty applies only to attacks on the Philippines’ territory, not the South China Sea. In contrast to its intransigence over the maritime disputes, China has demonstrated a willingness to

290 Hayton, The South China Sea, 97.
292 Hayton, The South China Sea, 251.
negotiate on land agreements, conceding a substantial majority of disputed lands to Afghanistan, Nepal, Laos, Kazakhstan, Mongolia, North Korea, and Tajikistan.\textsuperscript{297} However, most of these territories were not highly valued economically or strategically by Chinese leaders.

Consistent with the Obama administration’s enduring position on the disputes is the 2014 suggestion by U.S. Assistant Secretary of State Daniel Russel for a “voluntary freeze” on all contentious activities in the South China Sea until an ASEAN-China code of conduct is formalized.\textsuperscript{298} American statements at the annual Shangri-La Asian Security Summits and on the South China Sea more generally have remained largely unchanged throughout Obama’s presidency. Furthermore, the Obama administration has continued to adhere to the Three Communiques and the one-China policy regarding Taiwan.\textsuperscript{299} Like previous administrations, it opposes unilateral attempts to adjust the status quo. Obama has also remained committed to America’s arms sales to Taiwan. Until September 2010, China cut off military-to-military relations with the United States following the January 2010 U.S. decision to supply weapons to Taiwan.\textsuperscript{300} Yet, while upholding its obligations from the 1979 Taiwan Relations Act to provide a minimum standard of defence capacity to the Taiwanese, the United States opposes independence for Taiwan.\textsuperscript{301} Obama has pressed Taiwan’s government to continue to expand its integration with China.\textsuperscript{302}

The Obama administration has made efforts to improve its traditionally very weak military-to-military relations with China. Hillary Clinton sought to resume mid-level military discussions with China only a few weeks after taking office; she cited wanting to broaden engagement with civil society on major global challenges such as climate

\textsuperscript{297} Luttwak, \textit{The Rise of China}, 15.
\textsuperscript{299} Panetta, “The US Rebalance toward the Asia-Pacific.”
\textsuperscript{300} Heilmann and Schmidt, \textit{China’s Foreign Political and Economic Relations}, 162.
\textsuperscript{301} Gates, “Strengthening Security Partnerships in the Asia-Pacific QA.”
change. The Department of Defense has expressed its interest in improving the military-to-military relationship through various speeches, especially while Leon Panetta was Secretary of Defense. During Obama’s first term, the administration’s approach to improving military-to-military relations was based on: creating consistent lines of communications between senior leaders; increasing the safety of American and Chinese forces that were operating in increasingly close proximity; providing more transparency about each side’s intentions and capabilities; and enhancing Chinese engagement with multilateral institutions. After the temporary cessation of military-to-military relations by China following the American decision to approve a major arms sale to Taiwan in 2010, military-to-military engagement has expanded substantially. Top military officials from both countries have frequently visited the other with the hopes of improving communication and cooperation. Bilateral exercises have increasingly occurred in the areas of disaster relief, search and rescue, anti-piracy, and humanitarian assistance. In 2014, China participated in the Rim of the Pacific exercises for the first time. PLA General Fang Fenghui toured the nuclear-powered aircraft, the USS Ronald Reagan in May 2014; in April, the PLA invited then Defense Secretary Chuck Hagel to tour the Liaoning, China’s first aircraft carrier. In 2014, Admiral Harry B. Harris replaced Admiral Samuel Locklear as Chief of America’s Pacific Command, and said that like Locklear he would continue to pursue closer military-to-military ties with China.

305 Harold, “Expanding Contacts,” 111.
307 Work, “Deputy Secretary of Defense.”
3.2.6. Democratic Values and Human Rights

The sixth pillar is the promotion of democratic values. Despite theories that Asia is poorly suited for democracy, the United States highlights the triumphs of the world’s largest democracy in India.\(^{310}\) While largely avoiding lecturing China over its human rights problems, the United States encourages Asian countries to adopt India’s democratic model over China’s state capitalism.\(^{311}\) The Obama administration argues that the Indian system is more sustainable despite the inefficient economic policies of recent Indian governments. Obama believes that democratic institutions have proven to be the world’s most durable form of government.\(^{312}\) American officials contend that they are also far less likely to come into conflict with one another.\(^{313}\) Experts predict that India’s population will continue to grow until peaking in 2060, at which point, nearly one-fifth of the world’s economy will be driven by India.\(^{314}\) Progressively aligning interests between India and the United States will also lead to improved relations.\(^{315}\)

Obama’s approach involves intensifying people-to-people ties with all Asian countries, particularly through the funding and cultivating of civil society organizations.\(^{316}\) In 2013, Obama announced the creation of the Young Southeast Asian Leaders Initiative to increase American engagement with Southeast Asia’s next generation of leaders and growing middle class population.\(^{317}\) Significant in this realm has been the increase in the number of student exchanges, English-language teaching schools for government officials and businesspeople in ASEAN countries, and increased access to American


\(^{311}\) Clinton, \textit{Hard Choices}, 60.

\(^{312}\) Obama, “Young Southeast Asian Leaders Initiative Town Hall.”

\(^{313}\) Hagel, “Secretary of Defense Speech.”

\(^{314}\) Yun, “The Rebalance to Asia.”

\(^{315}\) Burns, “Asia Society Policy Institute.”


\(^{317}\) Obama, “Young Southeast Asian Leaders Initiative Town Hall.”
higher education for Southeast Asians. Obama reaches out to young adults in Southeast Asia for ideas about solutions to challenges such as unemployment, climate change, and political reform.

Moreover, Obama officials believe that broad trends in China since the 1970s have been towards a more pluralistic and open society. The Obama administration regards the Chinese state capitalist model as self-defeating. Obama claims that China realizes it must “change its whole strategy,” broadening its domestic consumer market and expanding social insurance programs and retirement services. China may not face a sudden collapse like the Soviet Union did, but its leadership will need to yield more power to its citizens over time and move towards a more democratic system. The administration expects Chinese leaders to be preoccupied with corruption, pollution, income inequality, and unemployment for the next few decades. Protests against district governments are becoming more common, typically sparked by public officials’ misconduct and land expropriations. Ethnic tensions in Inner Mongolia, Xinjiang Uyghur, Tibet, Qinghai, Sichuan, and Yunnan have incendiary potential. President Xi Jinping’s corruption campaign reforms have shown the extent of China’s numerous long-term challenges. Abuse of public funds has been so pervasive that the Finance Ministry estimated it costs China more than $2USD billion per year. Many Chinese leaders recognize that a modification to its development model is necessary given rising social tensions and economic deceleration.

The insecurity of Chinese Communist Party leaders has led to a growing number of arrests of Chinese dissidents, activists, artists, and lawyers who are seen as critical of the party’s authority. The Chinese Ministry of Foreign Affairs often uses sharp

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318 Russel, “U.S. Policy in the East Asia and Pacific Region.”
319 Bader, Obama’s Rise, 147.
320 Obama, “Young Southeast Asian Leaders Initiative Town Hall.”
322 Kerry and Lew, “Interview with Wang Guan.”
nationalistic rhetoric and foreign journalists are monitored by Chinese authorities.\textsuperscript{325} Xi’s crackdown is based on the supposition that democracy breeds instability.\textsuperscript{326} Xi has hailed the “Chinese Dream” to garner greater support for the authoritarian capitalist model. China’s education system emphasizes its humiliation suffered from foreign imperialism in China beginning with the Opium Wars in 1842.\textsuperscript{327} The Communist Party has encouraged nationalism at times and been powerless to restrain it at others. Given the gender imbalance, there are an increasing number of unmarried and unemployed men whom the state must adequately address. Some estimates predict that China will have 25 million more young males than young females in 2020.\textsuperscript{328} Not disenfranchising millions of young, unemployed, and angry males in society may be unachievable without employing a number of them in the military.

Obama officials have been publicly and privately critical of what they regard as China’s worsening human rights record. U.S. Assistant Secretary of State Daniel Russel stated that Obama officials raise their concerns with Chinese officials regularly.\textsuperscript{329} However, Russel also notes that the United States “approach to China can only be understood in the context of the rebalance.”\textsuperscript{330} By this he means that the Obama administration is cautious not to aggravate tensions with Chinese leaders given the scope and depth of the challenges that they face. The Obama government was reserved in its support for the protesters in Hong Kong who began a civil disobedience campaign in September 2014, which ended in December. Although a White House statement

\textsuperscript{325} Shambaugh, \textit{China Goes Global}, 226.
\textsuperscript{326} Osnos, \textit{Age of Ambition}, 331.
\textsuperscript{327} Osnos, \textit{Age of Ambition}, 140.
encouraged China to respect a genuine democratic process in Hong Kong, Obama was more cautious in his remarks. In November 2014, Obama withheld from discussing the specifics of the protestors’ demands and stated that “the situation between China and Hong Kong is historically complicated and is in the process of transition.” Obama explained that American people had to temper their expectations of America’s ability to influence China’s governing institutions. In late April 2012, while Hillary Clinton was readying to leave for Beijing for the U.S.-China Strategic and Economic Dialogue, the American Embassy in Beijing provided refuge to Chen Guangcheng, a well-known Chinese blind activist and lawyer who had just escaped house arrest. After sensitive negotiations over the following week, a deal was struck between Chinese and American officials for Chen (and his wife and children) to move to the United States in May to study law at New York University. Clinton portrays the case as a major diplomatic achievement and a notable stand by the United States for the values of democracy and human rights. In his memoirs, Chen alleges that there was discord between the State Department and the White House. Chen recounts that at a meeting Obama pressured the State Department to not have the case further damage U.S.-China relations and to restrict Chen’s internet access. Obama was trying to allow the Chinese government to “save face” in a contentious situation that had sprung up very suddenly. Consistent with its overall approach to China, the Obama administration tries to balance its cooperation with and pressuring of Chinese leaders on these human rights issues.

332 Clinton, Hard Choices, 100.
Chapter 4. Analysis of Strategic Rationale

Kurt Campbell admits that he and the rest of the Obama administration could have done a better job at explaining the rebalance and what its primary goals were early on. Campbell understood the widespread perception that the term "pivot" connoted too sharp of a turn towards Asia (and against China in particular) and an abandonment of U.S. allies in Europe and the Middle East. To some observers, the "pivot" also implied that the United States was not making a long-term commitment to Asia, as it could easily pivot away from Asia again. Nevertheless, one of the most impressive feats of the rebalance is the synergy that the Obama administration has infused into U.S. foreign policy in Asia. The Obama administration has pulled together a number of disparate policies and conceptually packaged them into an integrated rebalancing strategy. As Campbell argues, the key aspiration of the rebalance is to “embed China within a larger regional framework.”

China is the central focus of major American initiatives within the rebalance because China poses the greatest threat to the stability and continuance of the American-led international order. While America’s approach to China itself is fairly balanced in that it attempts to manage competition and promote cooperation, it must also be viewed within the wider context of the rebalance. Militarily, the shift of American naval and air force resources to the region is critical to the conservation of the current international system with the United States preeminent. On the economic side, as former

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3 UCTV, “The Pivot to Asia with Kurt Campbell and Susan Shirk.”
National Security Adviser Tom Donilon argues, the TPP’s “most important aims...are strategic” in that it would push China into conforming to the rules of a global free trade regime.\(^4\) The TPP serves as the central economic component of the rebalance. Smaller American initiatives attached to the TPP, such as the E3 and the LMI, are also motivated by a desire to harmonize Southeast Asian countries’ positions vis-à-vis China. Diplomatically, Obama officials call attention to the importance of concepts such as ASEAN centrality. However, America’s major initiatives such as the TPP are driven primarily by American priorities (in contrast to RCEP, which has affirmed ASEAN centrality as a key driver of its negotiations).

The Obama administration urges its Asian allies and partners to contribute more towards the evolving regional order, especially as they develop greater military capabilities.\(^5\) One of the Obama administration’s long-term goals is that all allies share in the burden of upholding regional security. Obama views the American military presence as a security guarantor in Asia, but has tried to alter America’s character in this role.\(^6\) Susan Rice stated that mobilizing coalitions is the “hardest and the most important element of how America leads on the world stage.”\(^7\) The United States increasingly provides advice, training, and joint exercises to upgrade the capacities of its partners to make them more effective at defending their own territory. The upgraded defence capacity of other countries also generates more potential for burden-sharing missions.\(^8\)


\(^6\) Russel, “Transatlantic Interests in Asia.”


Senior Obama officials contend that the United States is not all-powerful; rather, it is “indispensable” whereby the United States is a necessary, not a sufficient power for fixing global problems. It lacks the political, economic, military, and moral capacity to dictate the outcomes of international affairs. The administration understands that the United States cannot exert the same level of global dominance as it has in the past. The 2010 QDR mentioned that in some areas the American military is unable to extend security. The QDR points to other governments that are better-equipped to address certain challenges such as building more inclusive societies and healthy democratic institutions and combating environmental problems within their own countries. Cooperative security is therefore an integral grounding for many of the Obama administration’s statements and actions in the Asia-Pacific region.

Yet, the Obama administration recognizes that it has a vastly greater network of alliances than China does and American values are far more appealing to the world than those espoused by China. Obama believes that the United States has the greatest capacity to shape the global system and “build consensus around a new set of international rules that expand the zones of freedom, personal safety, and economic well-being.” The United States has formidable experience in the Asia-Pacific and Asian states generally invite deeper American involvement in the region. Additionally, American advisory, training, and assistance capabilities have been refined with the experiences in Afghanistan and Iraq over the last decade. This situation allows the United States to assume a central task of fortifying the economic, institutional, and defence capacity of Asian states.

America’s alliances may be interpreted as altruistic on the part of the United States. America’s cautious approach towards Japan has demonstrated the extent to which the United States does not want to antagonize the rest of the region. Taking

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13 Campbell, “U.S. Engagement in Asia.”
control over part of Japan’s nuclear stockpile is consistent with cooperative security’s goal of denuclearization, as the United States takes steps towards excluding the possibility that Japan would seek to build or attain nuclear weapons. Obama’s government has also focused on repairing relations between the regional powers, principally Japan and China, and Japan and South Korea. American military bases in Asia are critical for increased bilateral and multilateral training missions, being able to quickly dispatch American forces throughout the region, and to deter the potentially combative behaviour of other states.\textsuperscript{15} The Obama administration wants to be able to build up goodwill in the event of humanitarian disasters in Asia, whereby the U.S. military can help alleviate some of the damage, or at least assist in a rebuilding process, more quickly. Operation Tomodachi in March 2011 by the United States in response to Japan’s Triple Disaster was a resounding success. Nearly 24,000 members of the U.S. military, 24 naval ships, and 189 aircraft helped to rescue 20,000 Japanese civilians in the first week following the earthquake and they rapidly restored key transportation facilities including Sendai Airport.\textsuperscript{16} The American relief operation in the Philippines was additional proof to Obama officials that the rebalance enabled the United States to respond more swiftly to disasters in Asia. Focus on humanitarian assistance is an essential feature of cooperative security.

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Notwithstanding, America’s alliances help to serve American interests.\textsuperscript{17} Alliances give the United States leverage in the region and reinforce American leadership.\textsuperscript{18} The intensification of ties with its allies is chiefly directed at moderating erratic North Korean behaviour and at restraining China. Even while largely symbolic, the Darwin deployment, increased naval cooperation in northern Australia, and rotating American marines in the Philippines are meant to be checks on China in Southeast Asia and in the South China Sea. America’s support for Japan serves as a deterrent to Chinese aggression in the East China Sea and in Northeast Asia more broadly. The
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\textsuperscript{15}Gregson, “Rebalancing U.S. Security Posture,” 47.
\textsuperscript{16}Eric Johnston, “Operation Tomodachi a Huge Success, but was it a One-off?,” \textit{The Japan Times}, March 3, 2012, http://www.japantimes.co.jp/news/2012/03/03/national(operation-tomodachi-a-huge-success-but-was-it-a-one-off/#.VRw3E2NTdyI (accessed April 1, 2015).
\textsuperscript{17}Hooker Jr., “The Grand Strategy of the United States,” 16.
\textsuperscript{18}Odom, “What Does a “Pivot” or “Rebalance” Look Like?” 7.
Obama administration’s disappointment with Japan over Abe’s mishandling of historical issues concerns the Obama administration the most in that it creates a poor environment for discussing Japan’s normalization of its military and its future security role in the region.\textsuperscript{19} American government statements warn the Chinese military of overreaching beyond the current rules-based international order. Economically, an FTA with South Korea has been used to advance American corporate interests but also to send a message to China that it needs to reform its economic policies if it wants to be a part of trade pacts in Asia containing the United States. Furthermore, in opposing the AIIB, the United States, Australia, and Japan were concerned that China would use the AIIB as a foreign policy tool to unduly influence its neighbours.\textsuperscript{20} The Obama administration is skeptical of any major Chinese initiatives that either challenge or supplement the American-led international system. It immediately and strongly discouraged its allies from joining the AIIB in private conversations, arguing that the World Bank and ADB could take steps to increase their lending capacity instead.\textsuperscript{21} The United States has also consistently rebuffed China’s bids for a larger voting share in the ADB, International Monetary Fund (IMF), and World Bank.\textsuperscript{22}

Increased American cooperation with India is predominantly the result of shared concern over China’s expanding influence throughout Asia. India is uneasy about Chinese motives for multiple reasons.\textsuperscript{23} China has a significant relative power advantage over India and remains strategically allied with Pakistan. Given their close proximity and contested borders, bilateral economic, resource, and military competition including the construction of Chinese ports along the Indian Ocean and growing Chinese enterprise in


\textsuperscript{22} Hugh White, “AIIB: America’s Influence in the Balance,” The Straits Times, October 29, 2014.

\textsuperscript{23} Malik, “India Balances China,” 349.
Central and South Asia worries Indian decision-makers. Many Indians are also suspicious that China is trying to contain India, and China opposes a permanent seat in the UN Security Council for India. The Indian population also harbours unhappy memories of the Sino-centric Middle Kingdom and the tributary system. Strong nationalistic segments in China and India generate considerable mutual distrust. The Obama administration understands that India’s neighbours recognize the opportunity to diversify economically via India’s huge domestic market and that India has vital interests and capabilities to support regional security. Neither the United States nor India wants to see China become a regional hegemon.

In addition, the Obama government has paid more attention to potential partners in Southeast Asia. Building stronger links with ASEAN countries is critical to countering China’s expanding influence in Southeast Asia according to then U.S. Secretary of Defense Leon Panetta.\textsuperscript{24} U.S. officials see the strengthening of relations with Indonesia as imperative because that country has long been viewed as ASEAN’s informal leader.\textsuperscript{25} Indonesia is the largest country in Southeast Asia and its population of 250 million is more than double the next ASEAN member, the Philippines.\textsuperscript{26} Indonesia’s efforts were critically important to establishing ASEAN in 1967 and its restraint in its neighbours’ affairs has garnered the respect of other ASEAN members.\textsuperscript{27} During the Obama administration, American-Indonesian relations have developed mainly in the area of military cooperation. The predominant focus for American engagement with Singapore has also been on improving military ties in the face of a rising China. As a result, Singapore’s Prime Minister Lee Hsien Loong has urged the United States to take a more active role in Asia, particularly economically.\textsuperscript{28} Similarly, bolstered American engagement with New Zealand has centred primarily on military links, especially

\textsuperscript{24} Panetta, “America’s Pacific Rebalance.”
\textsuperscript{25} Bader, \textit{China’s Rise}, 97.
\textsuperscript{26} Luttwak, \textit{The Rise of China}, 186.
maritime cooperation. Building up strong maritime forces throughout the Asia-Pacific region helps the Obama administration to pressure China to behave within the rules of the current international system.

Consistent with cooperative security, Obama has encouraged rising powers such as China and India to take on greater responsibility globally. At the beginning of Obama’s presidency, Hillary Clinton spoke of the Obama administration’s ambition for a “multipartner world” giving special emphasis to India and Indonesia “to be full partners in tackling the global agenda.” America’s push for India to gain a permanent seat on the UN Security Council symbolized Obama’s emphasis on the recognition that rising powers should have along with their greater obligations to the international system. While in India in November of 2010, Obama announced that reform of the Security Council would be a protracted and laborious process, but that for India “increased power comes increased responsibility [towards the UN goals of the preservation of peace and security, the promotion of global cooperation, and the advancement of human rights].” Additionally, the Obama administration seeks to integrate China into the global system more fully, understanding that most major global challenges require the cooperation of the United States and China. The Obama administration has taken a more cooperative strategic tack with China especially on the environment. It acknowledges that for progress to be achieved on the environment globally, both the United States and China must lead the way by setting an example to the rest of the world. Presidents Obama and Jinping also often cite humanitarian assistance, disaster relief, anti-terrorism, preventing epidemics, and anti-proliferation as examples where the United States and China have common interests.

Obama’s philosophy is that “beyond matters of [self-defence]… it will almost always be… in [the U.S.] strategic interest to act multilaterally rather than unilaterally.”\(^{33}\) Multilateralism helps to legitimize the international rules of the road. Obama explains that the United States cannot tackle global problems alone, thus it should try “to strengthen the capacity of international institutions so that they can do some of this work.”\(^{34}\) In addition, building general consensus allows the United States to hear other points of view to better evaluate its own foreign policy choices.\(^{35}\) Cooperating in institutions and coalitions also provides other states a greater stake in the maintenance of regional and international order. Obama believes that the United States must set a good example to the world by showing clear respect for international law in order to get more states on board with the international system.\(^{36}\) During Obama’s first term, the administration immediately reached out to China in multilateral mechanisms to address problems including cyber espionage and cyber theft, climate change, and the global financial system.\(^{37}\) Nevertheless, multilateral institutions supplement, rather than supplant, bilateral relationships as the core of American engagement in the region.\(^{38}\) Bilateral relations are the crux for enhanced security ties between the United States and its allies and partners in Asia, whereas multilateral institutions are more crucial for identifying and dealing with transnational threats.

Simultaneously, multilateral mechanisms have been utilized by the Obama administration in an attempt to restrain China through a web of rules. The aims of the LMI are sometimes questioned as a strategic ploy to gain support from Southeast Asian nations with respect to China.\(^{39}\) Foreign ministers are key in this initiative, rather than the heads of the departments directly responsible for fisheries, water, and other areas. Likewise, the E3 has not enjoyed much success with ASEAN members feeling pressure

\(^{34}\) Obama, *The Audacity of Hope*, 320.  
\(^{36}\) Hagel, “Remarks by Secretary Hagel.”  
\(^{38}\) Odom, “What Does a “Pivot” or “Rebalance” Look Like?” 12.  
from the United States to take a common position on regulatory cooperation and investment.\textsuperscript{40} Negotiations over the TPP, in conjunction with the November 2011 South Korean FTA and negotiations for the Transatlantic Trade and Investment Partnership (TTIP) agreement between the United States and the EU, is a substantial leadership move by the United States. As former National Security Adviser Tom Donilon told a large audience at the \textit{Brookings Institution} in March of 2014, success on all of these agreements would signal an emerging global free trade regime, to which the Chinese leadership would feel pressure to acquiesce.\textsuperscript{41} The Obama administration makes it clear to China that if it would like to join the TPP, it must accept some of the standards it refused to at the WTO.\textsuperscript{42} The United States has great leverage in the negotiations for the TPP, accounting for nearly 60 percent of the economic size of the current TPP bloc.\textsuperscript{43} The United States hopes to eventually influence domestic regulations in both India and China so that American businesses can be guaranteed preferential access to their markets. American businesses seek greater access to services, especially telecommunication and financial services.\textsuperscript{44} The Obama administration wants to change China’s restrictive steel production policies, wherein foreign investors are expected to possess proprietary knowledge and cannot control stakes.\textsuperscript{45} Labour is also high on the American agenda, and ensuring an overhaul of China’s forced labour practices.\textsuperscript{46} The BIT is significant in this respect as it attempts to reform and open up sectors of the Chinese economy. Major anti-dumping duties within the TPP would affect China greatly.


\textsuperscript{42} Laidi, \textit{Limited Achievements}, 34.

\textsuperscript{43} Palit, \textit{The Trans-Pacific Partnership}, 3.

\textsuperscript{44} Palit, \textit{The Trans-Pacific Partnership}, 21.

\textsuperscript{45} Palit, \textit{The Trans-Pacific Partnership}, 126.

\textsuperscript{46} Palit, \textit{The Trans-Pacific Partnership}, 136.
Whereas Japan is expected to benefit from the TPP, India and China are projected to take significant export and income losses, particularly as a result of greater trade diversion.\(^{47}\) The successful completion of the TPP would reinforce and strengthen America’s position within the existing international system.

Be that as it may, U.S. officials have generally been cautious about pressing China to change its economic and monetary policies given America’s huge trade deficit. The U.S. Treasury Department is committed to free trade and cooperation with China.\(^{48}\) Substantial inexpensive capital is available to American businesses largely because of China’s industrial policy.\(^{49}\) American restrictions on high-technology exports to China (for political reasons) also contribute to the rising deficit.\(^{50}\) Obama’s top economic advisers, Larry Summers and Timothy Geithner, consistently concluded that the impact of China’s unfair economic practices on the United States was quite small overall.\(^{51}\) They saw huge risks in retaliatory escalation, at a cost to the United States more than China. They understood the extent of their interdependence with China and the fundamental need for China’s cooperation on the revitalization of the global economy following the 2008 financial crisis. Despite pressure to act more forcefully with the Chinese from the Senate (as the United States has more trade disputes with China than all of its other trading partners combined), Obama has refused to declare China as a currency manipulator.\(^{52}\) Instead, Obama has increased his efforts in commercial diplomacy with China with the intent of gradually influencing Chinese policy.\(^{53}\) This cautiousness is reflective of the balancing act the Obama administration is trying to manage with China. The United States strives to preserve its position of regional and global leader, but recognizes it must increasingly cooperate with an increasingly powerful China.

\(^{50}\) Heilmann and Schmidt, *China’s Foreign Political and Economic Relations*, 165.
\(^{51}\) Bader, *China’s Rise*, 114.
\(^{53}\) Heilmann and Schmidt, *China’s Foreign Political and Economic Relations*, 166.
Militarily, while direct military-to-military ties between the United States and China have increased, especially in 2014, the Obama administration questions what China’s goals are for its increasingly rapid military buildup. Kurt Campbell argued that “China’s military investment is completely overblown” and that the United States had an obligation to its concerned regional allies to respond and deter the Chinese military from taking any provocative or destabilizing actions. The ASB doctrine is a reflection of what the Department of Defense has to do, which is to prepare the joint forces for worst-case scenarios, including wars. The Pentagon’s duty is to provide to the president as many options as possible. ASB has been endorsed by all of Obama’s Secretaries of Defenses, though it has not been formally approved by Obama himself. In spite of this fact, because Obama has not separated himself from the ASB doctrine, it has been recognized by many (particularly in China) as a major piece of the rebalance. ASB prepares for a conflict against China in 2028 with the United States working closely with Australia and Japan versus an isolated China. It keeps the navy at the centre of America’s strategic priorities. Fundamentally, ASB reaffirms America’s commitment to provide extended deterrence to its allies in Asia and it confirms America’s primacy in the region.

The new 60:40 balance of naval assets towards the Asia-Pacific by 2020 means that numerically American forces in Asia will not increase substantially given overall budget cuts. The 2012 Defense Strategic Guidance, released by the Pentagon and formulated by the Defense Department in collaboration with Obama, the military chiefs, Congress members, and outside experts, outlined that America’s defence posture must become more politically sustainable and geographically dispersed as a result of budget cuts and steps to curtail rising manpower costs. This report provided guidance about

54 Etzioni, “U.S. Policy on Asia.”
55 Work, “Deputy Secretary of Defense.”
58 Dian, “The Pivot to Asia,” 238.
60 Panetta, “Statement on Defense Strategic Guidance.”
how the department would cope with financial austerity. In September 2014, U.S. Deputy Secretary of Defense Bob Work reiterated that the United States has “to engage globally differently... our forces are shrinking without question and our flexibility is under pressure.”61 As the 2014 QDR warns, continuing sequestration will raise substantially “the level of risk in conducting military operations.”62 The Defense Strategic Guidance specifies that the United States “will of necessity rebalance toward the Asia-Pacific region.”63 As selective engagers argue, the prioritization of specific regions including Asia and the Middle East has become critical.

The Department of Defense is moving toward cheaper, lower footprint procedures. While the American military presence will become more agile and flexible, it will be smaller, relying more on technological advancements.64 Robert Gates argued that non-permanent “lily-pads” are typically less controversial than traditionally large permanent sites.65 These types of bases are more politically sustainable because they provoke less domestic opposition. Moreover, the greater distance of bases from the Chinese mainland reduces their vulnerability, but also provides further strategic space to China. For example, Darwin is quite a long distance from China; Guam’s Andersen Air Force Base is also being upgraded as a deployment site and logistical hub for American forces.66 Guam gives the United States better reach into Southeast Asia and South Asia. Western Pacific, PACOM’s Logistics Group, in Singapore is based at a civilian cargo terminal in Sembawang, which has very few American military and civilian personnel and is administered by New Zealand’s armed forces.67 Yet, in the event of a crisis, the United States could project its resources directly into the region. Consequently, the United States increasingly turns to its partners for assistance and maintaining these bases. American Navy Admiral Mike Mullen acknowledged that the U.S. Navy cannot “by itself, preserve the freedom and security of the entire maritime domain” in the Asia-Pacific

61 Work, “Deputy Secretary of Defense.”
64 Panetta, “The US Rebalance toward the Asia-Pacific.”
65 McDonough, “America’s Pivot,” 5.
67 Hayton, The South China Sea, 231.
region over the long-run.\textsuperscript{68} Military cooperation in Asia is thus vital to the long-term sustainment of the rebalance. By this logic, cooperative security helps the United States to further project its power in the region and thus uphold its primacy.

Obama officials insist that all maritime disputes should be concluded without the use of coercion or force, and conform to the UNCLOS.\textsuperscript{69} The United States has declared that all claims should be based on land features, specifically the extension of continental shelves.\textsuperscript{70} Obama officials contend that freedom of navigation is a right of international law, not a privilege granted by more powerful states.\textsuperscript{71} While China ratified UNCLOS, it does not actually follow it.\textsuperscript{72} Ironically, the United States failed to ratify the treaty, but adheres to it. The United States has a far more expansive interpretation of the permissibility of foreign military ships being in a state’s EEZ.\textsuperscript{73} Under UNCLOS, a state does not have sovereignty beyond its 12-nautical-mile territorial limit.\textsuperscript{74} China argues that all military activities within a 200-nautical-mile EEZ necessitate gaining consent from the littoral state first. Any sort of surveillance or intelligence gathering within a country’s EEZ signals hostile intent and thus violates the “peaceful purposes” sections of UNCLOS (Article 88), according to the Chinese government.\textsuperscript{75} Obama officials argue that military ships engaged in spying activities are allowed in another country’s EEZ, as long as they do not have a scientific or commercial research purpose.\textsuperscript{76} The \textit{U.S. Freedom of Navigation Program} was established in 1979 to actively deter any state from trying to close off their EEZ. It continues to do so by occasionally sending military vessels or planes into other country’s EEZs to contest their country’s attempts to restrict sea lanes or airspace. In 2014, the U.S. Navy challenged 19 countries for having excessive

\textsuperscript{68} McDonough, “America’s Pivot,” 15.  
\textsuperscript{69} Clinton, \textit{Hard Choices}, 79.  
\textsuperscript{70} Kaplan, \textit{Asia’s Cauldron}, 62.  
\textsuperscript{71} Burns, “Asia Society Policy Institute Launch.”  
\textsuperscript{72} Kaplan, \textit{Asia’s Cauldron}, 173.  
\textsuperscript{73} Indyk, Lieberthal and O’Hanlon, \textit{Bending History}, 50.  
\textsuperscript{74} Hayton, \textit{The South China Sea}, 212.  
\textsuperscript{75} Swaine, \textit{America’s Challenge}, 160.  
\textsuperscript{76} Hayton, \textit{The South China Sea}, 212.
maritime claims as the Department of Defense interprets UNCLOS.\textsuperscript{77} That year represented the most countries confronted by the \textit{U.S. Freedom of Navigation Program} in over a decade.\textsuperscript{78} Countries included China, India, Indonesia, Malaysia, the Philippines, South Korea, Taiwan, and Vietnam, although none of the challenges were connected with the South China Sea disputes. If military ships did not have access to EEZs, America would lose access to its bases around Asia and between the Middle East and the Pacific, severely damaging America’s ability to defend Taiwan and its allies in the Asia-Pacific.\textsuperscript{79} As a result, America’s leadership position in Asia would likely erode very quickly.

Obama asserts that democracy is the best system of government, but that it should not be imposed on other countries.\textsuperscript{80} The promotion of democracy and human rights has served as more of a secondary concern for the Obama team in the rebalance than the previous components outlined by Hillary Clinton. The Obama administration is careful not to interfere in the domestic affairs of Asian states. Obama believes that a healthy democracy is brought about by people in their respective countries through a bottom-up process.\textsuperscript{81} Attempting to impose values weakens the “possibility that genuine, home-grown democracy will ever emerge.”\textsuperscript{82} The Obama administration sees Chinese civil society, including private actors and non-governmental organizations, as being far more effective than the American government is at bringing about change on human rights and democracy in China. Jeffrey Bader noted that, realistically, the Obama


\textsuperscript{79} Hayton, \textit{The South China Sea}, 213.


\textsuperscript{81} Obama, \textit{The Audacity of Hope}, 316.

\textsuperscript{82} Obama, \textit{The Audacity of Hope}, 317.
government could not do much to improve the situation.\textsuperscript{83} Moreover, recognizing Thailand’s challenges to constructing a democracy, the Obama administration has stated that the people of Thailand are capable of resolving their issues and outsiders cannot fix them.\textsuperscript{84} America’s engagement with Myanmar has involved the lifting of numerous sanctions on Myanmar and the establishment of limited military-to-military relations. Hillary Clinton noted that Myanmar’s political and economic reforms are an arena for intensifying Sino-United States competition.\textsuperscript{85} Yet, as current Secretary of State John Kerry stated, the United States encourages a responsible democratic transformation in Myanmar, “but in the end the [Burmese] leadership will have to make the critical choices.”\textsuperscript{86} Generally, Obama’s pragmatism has caused him to avoid promoting democratic values abroad.\textsuperscript{87} Nevertheless, concern about human rights violations has reduced the level of Obama administration’s cooperation with Vietnam and Cambodia. The promotion of democracy and human rights are not exclusive to any grand strategy, though they are most closely associated with cooperative security.

Obama is aware that many Chinese officials believe that one of America’s aspirations is to bring about the collapse of the Chinese Communist Party. Consequently, the Obama administration has not made human rights a main focus in its China agenda in order to gain greater cooperation with China on other pressing international issues.\textsuperscript{88} U.S. officials understand that Chinese officials loathe being lectured to about their own domestic politics. Current and former American officials have stated that Chinese leaders are especially concerned about their public reputation, at home and abroad, so they want to be able to give China “face.”\textsuperscript{89} The United States has utilized indirect and low-profile measures in its approach to human rights in China under

\textsuperscript{84} Marciel, “U.S. Policy toward ASEAN.”
\textsuperscript{85} Clinton, \textit{Hard Choices}, 102.
\textsuperscript{86} Kerry, “U.S. Vision for Asia-Pacific Engagement.”
\textsuperscript{87} Indyk, Lieberthal and O’Hanlon, \textit{Bending History}, 15.
\textsuperscript{88} Swaine, \textit{America’s Challenge}, 287.
\textsuperscript{89} Swaine, \textit{America’s Challenge}, 334.
Obama.\(^90\) Facilitating China’s movement towards being a more productive and supportive member of the international system does not require the end of the Communist Party, only a transformation.\(^91\) Obama’s refusal to meet the Dalai Lama prior to his first China trip in November of 2009 was seen as an overture towards greater cooperation with China.\(^92\) That being said, Obama’s reception of the Dalai Lama in February of 2010 upset the Chinese government, which saw it as a form of “interference” in their own domestic affairs.\(^93\) Yet, the Obama administration has been practical about the limited extent of its potential influence to assist in the democratization of China. This part of the rebalance has been more reflective of a grand strategy of selective engagement, which focuses on economic and military engagement rather than concerning itself with the promotion of values of human rights and democracy.


\(^{91}\) Swaine, *America’s Challenge*, 378.


\(^{93}\) Heilmann and Schmidt, *China’s Foreign Political and Economic Relations*, 162.
Chapter 5. Conclusion

In relation to American policy towards Asia, the Obama administration’s official stance has changed only slightly since the beginning of 2009. The underlying assumptions and rationale for the rebalance have persisted. As Jeffrey Bader mentioned the Obama team all along felt that Asia should be a higher priority in U.S. foreign policy. They thought that alliances should serve as the heart of American engagement in Asia, America’s forward deployed troops and bases in the region must be sustained, differences with China could be managed and cooperative areas expanded, stronger regional and multilateral institutions could help to reduce or quell some of the key regional problems, and free trade ought to be broadened. While Hillary Clinton listed the promotion of human rights and democracy as a core element of the rebalance, this has been more of a secondary concern relative to the strengthening of alliances and partnerships, the augmentation of regional and multilateral institutions, the initiative of a wider free trade agreement, and the shifting of naval and air force resources to Asia. Adjustments have been made by the Obama government in responding to different crises and events in Asia, but there have been no major overhauls of the framework.

At the core of the rebalance is the Obama administration’s hope to maintain and strengthen the existing global order, constructed and built up by the United States after the Second World War. The beefing up of America’s alliances, especially with Japan, the Philippines and Australia, is largely focused on greater military cooperation and concerns about potentially destabilizing Chinese behaviour in the East and South China Seas. The military shift of personnel and forces to Asia seeks to maintain American naval and air supremacy on the continent. Preservation of freedom of navigation is essential to the Obama administration’s grand strategy. Myanmar’s reform process represents a major area of competition between the United States and China. They seek to have a larger economic (and eventually political) influence in the country, as Myanmar
represents a battleground in the region for a state that either democratizes or remains an authoritarian capitalist system.

There are a plethora of cooperative initiatives within the rebalance. Key ones include Obama’s commitment to multilateral and regional institutions such as the EAS, ARF, and ASEAN; his understanding that the United States cannot fix the world’s major hurdles without the support of other major powers including China; Obama’s support for the prioritization of the G20 over the G8 following the global financial crisis; America’s deepening of people-to-people ties with China through the 100,000 Strong China initiative; the administration’s push for anti-proliferation of nuclear weapons including taking and destroying large amounts of Japan’s nuclear stockpile; Obama’s personal belief that democracy cannot be imposed upon states and instead the United States must be patient to allow democracy to mature and flourish in other countries; and Obama’s encouragement of dialogue and reconciliation between historical adversaries China and Japan (and South Korea and Japan). Some of these are spurred on by the Obama administration’s belief that America cannot sustain its traditional levels of high engagement given America’s budgetary challenges and the amount of pressing domestic problems that require more resources and attention. Obama’s government regards the United States as the world’s leading power, but one that requires the support and assistance of other powers to effectively tackle regional and international problems.

This thesis attempts to show that the existing explanations for the rebalance do not quite meet the burden of evidence. Many scholars have made recommendations and encouraged various grand strategies for the Obama administration to adopt without closely tracing what the rebalance has entailed in actuality. For those that have characterized the rebalance within grand strategy literature, most have concluded that there is no grand strategy. Yet, American policies in Asia have been consistent and wide-ranging, even if not always successful or effective. The effectiveness of the rebalance will be difficult to measure for many years to come, as the grand strategy is intended to have a lasting impact beyond the Obama presidency. Negotiations for the TPP and the BIT may not be completed during Obama’s tenure, but future administrations will likely continue these efforts. David Lampton, a Professor of China
Studies at Johns Hopkins School of Advanced International Studies, puts it succinctly: “the long-term consequences of the [rebalance]...will take years to become apparent.”

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97


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