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Transcript

CHINA IN THE WORLD PODCAST

Host: **Paul Haenle**

Guest: **Michael Green**

Episode 69: Obama's Asia Legacy

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Haenle: I'm here with my former colleague and good friend, Doctor Mike Green, senior vice-president for Asia and Japan chair at the Center for Strategic and International Studies (CSIS), and chair in modern and contemporary Japanese studies and foreign policy at the Edmund A. Walsh School of Foreign Service at Georgetown University. I had the honor of serving with Mike in the National Security Council. He was otherwise known as *Señor Verde*, which was a nickname given from President Bush during the administration of George W. Bush, where Mike Green started as director for Asian affairs and was then elevated and promoted to be special assistant to the president, and senior director for Asia. This week I am delighted to speak to Mike about President Obama's recent visit to Asia, and his administration's broader legacy in the region. Mike, thank you for joining our podcast.

Green: Thank you.

Haenle: At some point we're going to get you out to China and participate in our distinguished speaker program. Let's start out with President Obama's recent trip to Asia. He just returned from Asia. This was his 11th trip to Asia—his final trip to Asia, in his administration. He went to attend the G20, which was held in Hangzhou, China, and then from there went to Laos, where he participated in the U.S.-ASEAN Summit, and the East Asia Summit in Vientiane. This was the first U.S. president to visit Laos. Beyond that, Mike, I want to start by asking you what you see as the significance of his visit. What were the president's priorities before he took this trip, and were they achieved?

Green: Well, his goal, I think—and in fact, his aides said—that his goal was to have a capstone or a final showcase of his so-called “pivot” or “rebalance to Asia.” In some ways I think he failed to achieve that because, politically, the White House lost control of the press narrative. And to be fair to President Obama, that often happens in the last year of an administration. The lame duck has a hard time writing its own stories when the press is focused on the next presidential candidates; and there were some unfortunate accidents, like the incident at the tarmac in China, or President Duterte of the Philippines insulting the President of the United States publicly. You and I worked at the White House, these happened from time to time to us, but it was particularly bad because it was his last trip and he was already sort of an afterthought for the press.

I think the policy objectives for the trip were probably achieved, to a significant extent. I think with China, the White House had modest objectives. I think the Chinese side would've preferred a very pronounced confirmation for the new model of great power relations. But it was quite clear to me, talking with people from the administration before they went, that they were not going to reject the great model of great powers relations—for reasons of face, and because, in fact, they had welcomed it previously—but they were clearly not going to make that the centerpiece of the China stop because that concept has lost credibility in the United States, and would not have benefited U.S.-China relations. It would have created a backlash. So they had a very workmanlike approach, and the big policy events they hoped for, they got. Principally, the climate change agreement, and otherwise, I don't think they had high hopes for the bilateral investment treaty, the BIT. I think they wanted to reinforce the need for no strategic surprises in the South China Sea, at a minimum, and encourage China to reflect on the arbitration ruling and move more towards diplomacy. But I don't think the White House expected breakthroughs.

Haenle: No surprises from now to the end of the administration?

Green: That's right. Transition in the United States is the worst time for a country to act badly. In Southeast Asia, I think the President wanted to reaffirm and demonstrate that our relationship with Southeast Asia, with the association of Southeast Asian nations, is at a new level. The U.S.-ASEAN Summit sort of captures that, but that didn't get any press play. So in terms of U.S. politics and press, it was probably a failure from their perspective. But in terms of policy outcomes, it's probably about where they were aiming to hit.

Haenle: You mentioned one of the things the President and the administration were trying to do was highlight the rebalance to Asia—their principal policy for the Asia-Pacific region over the course of their leadership. TPP, obviously, is an important part of that; the president talked about that on the trip. Looking forward, though, it's hard, at least from my own perspective, to be optimistic about it. I wondered [about] your perception on the chances that it will get done during this administration—in the lame duck—or in the next administration; and if not, the impact on the legacy of the pivot to Asia, the rebalancing.

Green: I think it is unlikely that the TPP—the Trans-Pacific Partnership—will be ratified during the lame duck. One reason is because they're already planning on using the lame duck to pass the federal budget. So there's just not going to be enough time.

Haenle: Not enough bandwidth.

Green: There's just not going to be enough bandwidth politically, [or] enough time on the calendar, to deal with all the legislation that has to go through various committees. That's very hard. Secondly, the fact that Hillary Clinton and Donald Trump, the leading candidates, both oppose it. So even after the lame duck, it's going to be hard for members—even members who have lost their seat—to do this. For example, republicans who may have lost their seats are not going to do Hillary Clinton a favor on TPP when she opposed it. So the politics are not great. And frankly, I think the administration made a number of mistakes. The first was not picking up TPP right away in 2009. The administration didn't really start moving on TPP until 2010, 2011, because of their own politics internally, with labor unions; and because of the President's relative non-interest in trade—at least at that point. [Now] they framed it, I think, in the wrong way. The President said 'If we don't pass TPP, China will write the rules in Asia.' I don't think China is going to write the rules in Asia anytime soon. And the problem with pitching it that way is that, if he doesn't get it, he's set up a narrative where the region and the American public will think 'we lost.' Unfortunately, it was a desperate gamble that did not work politically, because...

Haenle: ... Meaning, the narrative?

Green: ... The narrative. Democrats were not going to vote for a bill based on strategy. They thought about workers; and Republicans already believed that the president telling them wouldn't make a difference. So he's set up a narrative here where, if we don't get it, it will definitely happen.

Haenle: It'll look like China...

Green: It'll look like a big win for China, and a big defeat for the United States.

Haenle: And what does that do for the legacy of the Asian rebalance?

Green: Broadly, I would say this about the rebalance historically. I'm a historian, I've written a book on U.S. strategy in Asia since the American Revolution. From a historical perspective, I think the first thing that has to be said is that there's more continuity from Bush to Obama than change; and as you know, there's far more continuity from Clinton to Bush than change. So, this is not a radical new thing. President Obama is the first president in history to have a nickname for his Asia policy—"the pivot." But it's not that new, it builds a lot on what came before. Where I would give him high marks, and I think history will judge him very well, is Southeast Asia. The United States has had a very episodic engagement of Southeast Asia since the Vietnam War. President Obama, in part because he grew up in that region, in part because the Chinese made the United States more attractive, but in part because he cared, created the U.S.-ASEAN Summit, [and] joined the East Asia Summit. These are institutions that will ensure a more consistent American approach to South East Asia. In the larger context of China's rise, it follows from what Clinton did with Japan, Bush did with India, and now, building relationships. But it has its own logic and momentum that will endure and rebound to the President's credit.

I think the President's performance on great power relations was subpar. The very rocky relationship with China, that the next president will inherit, is due to structural factors—the rise of Chinese power. It's due to Xi Jinping having a very different style, and a different articulation of Chinese interests, and I think part of it has to be laid down on the administration, which never clearly articulated the coordinates for their pivot. So, it sort of shifted from a promise to respect China's core interests, to the rebalance, back to the model of great power relations, and I think that [not only] in China, but also in Japan, and other major powers, they weren't quite sure where the administration's bottom line was. Both sides thought the administration's ultimate disposition was up in the air and could be manipulated. So, you had kind of the worst situation where the Japanese—though the administration did make some important trade and security agreements—at their core were not quite sure where the US is. The Chinese...

Haenle: In part, because they've shifted.

Green: Because it shifted back and forth. And the Chinese, were, I think, surprised by the rebalance. They shouldn't have been surprised by the rebalance. But they were surprised because they had read too much into the previous statements about core interests. So the inability to have a consistent articulation and consensus on what the rebalance meant [that it] has hurt great power relations. You know, republican administrations like ours, are the mirror opposite in a way. We do very well on great power relations. What we don't do as well are Southeast Asia, Korea, [and so on]; it just seems to be a trend. But I think U.S.-China relations are in the roughest shape they've been in at the end of any administration.

Haenle: Interesting. You say that this is the first administration to have a nickname for its Asia policy. I had a similar critique after the rebalance was announced, that it was announced with a lot of fanfare. And I think it put the focus on the question of whether the United State could actually achieve it in an era of dwindling resources, and problems going with the Middle East and Russia. It may be, if this TPP is not able to be achieved, that it is this nickname, and that it is this fanfare

with which they rolled it out, is the problem, ultimately. The things that are part of the pivot, in my view, most of them were the right things to do. The question is: could you do it without all the fanfare? One of the issues, obviously, that is front-and-center of the U.S.-China relationship is the tension over the South China Sea. In July, the UNCLOS Tribunal announced it had reached its decision, which rejected China's expansive claims in the South China Sea. We had a period of cooling down, in large part because the president was going [to Hangzhou as] China was going to host the G20; they wanted to get President Obama there. It's a question of what will happen going forward, but one of the things that happened at the G20, at the margins, was these comments by the new Philippine president Duterte. I want to get your reaction to those. What are the consequences for us, for the region, for current developments in the South China Sea, of that apparent tension in the relationship, between the United States and the Philippines?

Green: Well, one thing it shows us is that, as the United States tries to manage relations with countries in Asia, and tries to shore up relations that are under Chinese pressure, it's not going to be a cakewalk; it's not going to be that easy. There are going to be issues of human rights; there are going to be issues of personality, that mean that we cannot just have a black and white strategy of 'you're with us, and you're not.' In reality, it's going to take a lot of retail work by the next secretary of state, secretary of defense; and not just with the big ones like Japan, Korea, and China, but with the Philippines, with Cambodia... We're going to have to invest more in these relationships.

The other takeaway I have from Duterte is, as some journalists have put it, he appears to be pro-China and anti-U.S. That's wrong; he's anti-everybody. He's just an unpredictable nationalist, and, look, we have one of those too. They seem to be popping up all over the world in this day and age. But I do not see Duterte as somehow pro-China, anti-U.S., even though in the Chinese press, and the Japanese press, and sometimes the U.S. press, he's portrayed in that way. His national security team, his defense, foreign affairs [...and his] leadership [in general] are very much continuing the same thinking that the previous administration had in Manila. The Philippine people, peoples, are very pro-U.S. The real problem here is not anti-U.S., pro-China. The real problem is explicit endorsement of extrajudicial killings.

Haenle: Right.

Green: It violates a very fundamental principle of international law and norms, and U.S. foreign policy. So, how do we manage that? How do we negotiate? That's tricky, very tricky. But on balance, I am confident that if we invest the time and if we think about the long term, and if we keep at this issue (but don't let it dominate the relationship), our relationship with the Philippines is going to be productive in the end.

Haenle: And China, now that the G20 is over, a lot of speculation about what they might do with respect to Scarborough Shoal. Will they announce an Air Defense Identification Zone (ADIZ) in the South China Sea? How do you see this going forward? There's been a bit of a lull, but how do you see this going forward through the end of the Obama administration, and then perhaps even more importantly, at the beginning of the next US administration. You point out that transitions are very sensitive.

Green: So, on the menu of things China might do to consolidate its control and, really, its ability to coerce or compel others to accept its sovereignty claims in the South China Sea. The most dangerous would be trying to blockade or isolate the Philippines on Sierra Madre, which I don't think they'll do. The next dangerous [think] would be building up Scarborough Shoal as a new airfield. An ADIZ is somewhat less dangerous, because it is not physical, it is more demonstrative. Any of these, including ADIZ, would be contrary to China's geopolitical interests, because it will set the next administration of the United States on an adversarial relationship from the beginning. It will push Duterte firmly in the direction of the United States. It will lead to a consolidation of military cooperation between the United States and Japan, and Australia, and others. It will have all of these effects that, geopolitically and diplomatically, are not in China's interests. Militarily, I believe that the PLA would like to have an airfield on Scarborough Shoal, because it would give them overlapping air coverage for tactical air over the entire nine-dash line. So there's a military attractiveness to this last move to consolidate their ability to compel smaller states to accept their sovereignty and to complicate U.S. planning or Japanese planning on the first island chain. If the military logic leads to that kind of move, in spite of the geopolitical setback it would mean for China, that is a very bad sign.

Haenle: It's a bad sign internally, about what's going on in China?

Green: It's a bad sign about how decisions are made in China. I was more pessimistic before the G20. I thought [there] was about a 60 percent chance we would see something on Scarborough, like we've been discussing. This is purely impressions [from] talking to experts, including you; but I think now, it's more likely the Chinese will hold their fire or avoid big, visible, dramatic military moves—like land reclamation on Scarborough—for a while. I think they'll compensate by increasing their operational tempo: sending more ships and more planes to the South China Sea and the East China Sea, which don't make for good photos. I mean, CSIS, on our website, has been doing satellite photos of all these new reclaimed islands and bases. Sending ships and planes, increasing the operational tempo, that's sort of harder to grab the public imagination [with]. My guess is that's how they'll continue the pressure on these other states. But, like I said: 60-40? 40-60? It's really going to be a critical and sensitive era or period, and we're going to learn a lot from how Beijing plays it.

Haenle: You know, my sense too is that, the next administration, whether that's Hillary Clinton or Donald Trump, will be under some pressure early on to be tough on China. And moves in that regard, Scarborough Shoal or other moves, as you've discussed, will really put the U.S. administration under pressure to react in very strong ways; which ultimately will not be good for the U.S.-China relationship, or the region. What will be high on the next administration's agenda—the U.S. administration? I'm sure, and I'm sure you will agree with me, it's North Korea. We've seen developments recently – the most recent nuclear test two days ago. It's the fifth nuclear test, the largest to date. They tested three mid-range ballistic missiles last week. They've tested a number of missiles over the past year. The missiles last week, of course, landed inside Japan's air defense identification zone. You mentioned recently that North Korea seems to blow through every agreement we have with them, and that no U.S. president has been able to hand this situation over to his successor a better situation on North Korea than they inherited. Why is that, and can you foresee any near-term changes on how the countries in the region approach the North

Korea nuclear issue in a way that could lead to progress? How do we address this issue with our partners in the region? That's Korea, Japan, and China.

Green: So, North Korea is on a rapid, accelerated move to consolidate its ability to mount a nuclear weapon on a ballistic missile. Until now, the pace has been one in which the North Koreans test a nuclear missile and do a provocation; we all threaten them. It's extremely tense and time-consuming to maintain the diplomatic front [and] the sanctions to convince North Korea to back off. They usually don't back off the program, but we get a chance at the Six Party Talks or some bilateral dialogue, to deescalate the tension—which is taxing on all of us: China, the United States, Korea, Japan.

Haenle: And in the past, this involved some...

Green: ... We have some small concessions or some dialogue; and then, when the North Koreans are ready, they test again. But under Kim Jong-Il, they managed the tempo in a way that we got complacent again. Then, they tested, and we got complacent again; and that's partly why we haven't been successful. Because for us, for Korea, [and for] China, maintaining the amount of pressure necessary to actually effect changed behavior involves a lot of risk and a lot of tension that—if you're South Korean—you don't want to live with. And if you're Chinese, with so many problems—domestically and internationally—that you don't want to live with [it]. And if you're the United States, with the Middle East, and Syria, and everything else, you don't want to live with [it]. So it's been very tempting, after provocations, to sort of get back into the dialogue and repeat the cycle again.

Haenle: Ratchet it up?

Green: Ratchet it up. Actually, it's not cyclical. Every time North Korea does this, its capabilities get better. And so, now we're at a point at which their capability's actually quite threatening and Kim Jong-un is not doing this kind of, "test, diplomacy, test", over the course of one or two years. He's doing it...

Haenle: ... In rapid succession.

Green: In rapid succession. So, we can't pretend, and the Chinese can't pretend, and the Koreans [and] the Japanese can't pretend that our old way will work. I think there will be a lot of pressure for the United States, ROK, [and] Japan to really increase defense. I think THAAD is just the beginning; and I think that the new administration in the United States is going to look at much more sustainable and deliberate ways to cut off the flow of technology and funds to North Korea. I think they are going to be prepared to do that without China if they have to; whether that's missile defense or interdiction. It would be much more effective to do it with China.

Haenle: But do you anticipate they'll look to China initially? To see if they're willing to work together on this...

Green: Everybody looks to China.

Haenle: So, what you're saying is, if they're still in the position they are today, then the administration will be much more inclined to do it with South Korea and Japan and continue with some of the measures we've seen? THAAD, and others?

Green: I've been working on North Korea now for about 25 years. Every time it gets hard, people come in and say: 'let's get China to help us, before we make any really hard decisions.' So, yes, people will try to get China to help us. But our latitude to wait for that is much reduced and there's going to be real pressure to take real actions, physical actions, now to increase our defense. THAAD is just one example, and absolutely necessary; and to interdict-stop-squeeze the North Korean program now. Not as part a diplomatic process to change their minds, but to slow it down the way we did the Iranians. That's going to create tension with China. It already has with THAAD—it's going to be uncomfortable. I think that the next administration here will live with that discomfort.

Haenle: If China doesn't shift its position?

Green: That's tight, that it will...

Haenle: That seems to be a message that the Chinese are receiving as of late, which is [that] this [is] a much more serious threat. The assessment has changed in the United States, this rapid succession of tests, and there must be some thinking in China on whether or not they're going to allow this this to be a wedge that drives us further apart or, with the next administration, whether or not they decide to shift their approach. Our former boss President Bush thought that it, if we could involve China, that this ultimately would be better for us, for our relationship with China, and for the region. I think... I'm not sure where the Chinese will be on January 20...

Green: I don't know. I'll tell you what I think we should strive for, though: I think we should be prepared for some tension in our relations with China as we deal with this problem. Look, North Korea exports mushrooms, methamphetamines, and tension, and we're not going to be able to deal with them without some tension, including in relations with China. We shouldn't be afraid of that. It's unfortunate, [but] we shouldn't be afraid of it. I think we need to focus on working with China for much more effective implementation of sanctions and interdiction of North Korean technologies and materials and, in some cases, coming out of North Korea. [A] much more deliberate joint effort, [...] would have a huge impact on American thinking about China's willingness to help us—a lot of it can be not-public.

Secondly, I'm very skeptical, in fact, I'm 99.9 percent skeptical, that diplomacy is going to convince Kim Jong-un to change course. But I do think that we've gotten too worked up about dialogue and I think we need to think about a way to have dialogue. Don't dramatize it, just meet, and collect intelligence, and talk. I think the Chinese...

Haenle: ... And be clear-eyed as to what we can achieve through the dialogue.

Green: Don't have expectations [or] have very low expectations. But don't overinvest dialogue with either the hope that it will lead to a breakthrough or the fear that somehow we'll be tricked. Low expectations, but just routinize it a bit. I think the Chinese will appreciate that, and frankly, I think the Koreans and Japanese will too. I'm not a believer that this will get North Korea to

change its mind; but we know very little about this regime. Almost as an intelligence effort, I think we need to make it a bit of a commodity. It's just what we do.

The third thing is we need to just stand firm on THAAD; and I think the Koreans will. We're going to do more missile defense; and we're going to have to protect ourselves. [W]e're going to have to restore or reinforce credibility of our nuclear umbrella—our extended deterrent; and we're just going to have to do it. We need a dialogue with China where we make it clear we're not going to gratuitously or deliberately try to provoke China; but there are some basic things we have to do for our defense and our allies that we're just going to do. That's not an easy or comfortable set of policies; but I think that's basically where we are, and what we have to do.

Haenle: Well, Mike, I'm cognizant of your time, and we've got a lot more to talk about. Perhaps we can get you to China to visit the Carnegie–Tsinghua Center to continue some of these discussions. Thank you very much for joining the podcast today. It was great to see you.

Green: Thank you.

Haenle: That's it for this edition of Carnegie–Tsinghua's China in the World podcast. I encourage you to explore our site and see the work of all our scholars at the Carnegie–Tsinghua Center. Thanks for listening, and be sure to tune in next time.