

Asia—Shaping the Future

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SUMMARY

- Washington has no proactive vision toward a “rising Asia”; “more of the same” will not advance U.S. interests.
- Decide early on clear U.S. strategic objectives in the region, and signal to China where constructive cooperation will lead.
- Appoint a high-level advocate for Asia befitting its status as the new global “center of gravity.”
- Prioritize the bewildering alphabet of organizations and venues to achieve those objectives. Consider inviting China and India to join the G8.
- Anticipate greater Chinese and Indian military and trade capabilities by developing new multilateral security and economic arrangements in the region.
- Avoid coalitions based on common values or democracy. Asia is too diverse and complicated for them to succeed.
- Ditch the “war on terror” rhetoric, which has proved divisive and counterproductive.

The new administration will find an Asia that generally is not in bad shape, despite the sense among American voters that U.S. policy elsewhere has been adrift. Largely propelled by each nation’s calculation of its interests in the region, capitals generally have adopted balance-of-power strategies intended to keep Washington close as Beijing’s influence grows in the region. Washington has been generally responsive to these interests, but often not at a high level or with a proactive stance. Given the fast-moving pace of change, “more of the same” will not be enough to advance U.S. interests.

For more than two decades, American leaders have paid lip service in various ways to the rise of Asia, saying the global center of grav-

ity is shifting eastward, that this will be “the Pacific century.” As time has passed and the region has ballooned as a source of trade and investment, however, Asia and the Pacific have not received an appropriate share of time and attention from American leaders. Since 2001, we have been preoccupied with terrorism and listened too little to the concerns of our Asian partners.

The United States is likely to remain an economic and security power without an equal in the region for the next few decades, but “rising Asia,” especially China and India (with Japan not to be forgotten), will be larger factors in the region’s balance of power politics as the decades pass. Here is how the next administration can catch up to the pace of



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change and shape relations that will be inevitably altered by shifting correlations of power in the Asia-Pacific region.

Pick someone to be Asia's high-level advocate in the administration.

In past administrations, the degree of attention to America's position in the region has had a random quality. Year after year, highly qualified strategic arms negotiators and Russian and European experts or generalists were appointed to the three highest positions: secretary of state, secretary of defense, and national security adviser. Presidents also need someone at that level to remind them of our growing interests in the Asia-Pacific region. Cancelling participation in a leadership meeting in Asia, for example, would not seem cost-free to someone with practical experience in Asia, who could recognize unwanted trouble or a missed opportunity.

George Shultz, who was by no means chosen secretary of state because he was an Asia expert, nonetheless set a high standard in dealing with the region and its leaders. Despite the pressures on his schedule, he regularly made the rounds of the Asia-Pacific, stopping sometimes in lesser capitals to advance the U.S. agenda. He referred to this as necessary "gardening."

It is time for a new president to show, through key appointments, that Asia's place in the Washington power constellation befits its status as the new global "center of gravity." It is time to end the practice of devolving the "Asia portfolio" to a deputy secretary or lower-level appointee, no matter how welcome or qualified the individual is. People in the region can read the message of their subordination to other priorities loud and clear.

Avoid the temptation to form a coalition based on common values or democracy. It sounds easy and attractive.

But it would be hard. Let America's behavior speak for its values. Asia is too diverse, and

its interrelationships too complicated to make a success of a coalition based on values. The United States should focus on the time-tested practice of seeking better relations with most of the actors in the region than they have among themselves. An interest-based approach coupled with balance-of-power realism will stand a better chance of success. This will succeed in forums where the common security or economic gains of cooperation are measurable and deliverable.

Shake up the status quo and make choices.

A new administration viewing Asia will, as elsewhere, confront a bewildering alphabet soup of organizations and venues that clamor for the time of the president and his subordinates. Typically, incoming administrations sort through these competing demands and attempt to follow precedent and avoid giving offense, while handing off the responsibility to participate to the lowest level of officials feasible. This is all the more so for the Asia-Pacific region, because of the enormous distances involved in traveling from Washington to the region and within the region. The efficiency of back-to-back meetings around the capitals of Europe or Latin America is not to be had in Asia.

The president and his top advisers should use the postelection period and first months of the new administration to revisit the menu of meetings that lies before them. This will be the period when regional partners will be most receptive to new initiatives and gracious about bending to a new president's priorities. The president should think about scrapping the G8 meeting or press the G8 to include China and India.

The Asia Pacific Economic Cooperation (APEC) forum is a bloated institution. Its leaders' meetings include the right people to discuss security problems, but its charter confines it in principle to an economic agenda, one that has accomplished relatively little. The Association of Southeast Asian Nations

(ASEAN) hosts many ministerial and subministerial meetings that have had limited impact substantively and are subregional in character, but remain important to participants symbolically. The Six Party Talks with North Korea are similarly subregional, and expansion of their scope would be premature until their successes are more manifest. The East Asian Summit includes India as well as Australia and New Zealand, but not the United States. The list goes on.

If the United States decides it is in its long-term interest to create security and economic architectures region-wide, it can try to build on one or more of the existing mechanisms, but it will probably have to press for either additions to, or subtractions from, the membership. Or it can propose a new and separate mechanism. It should take a fresh look at signing the Treaty of Amity and Commerce with ASEAN to facilitate greater participation. ASEAN should be encouraged to devise a more efficient mechanism of representation than having 10 heads of state or 10 ministers all participate, perhaps emulating the European Union's troikas. The important thing will be to decide on objectives and then envision the means to achieve them in consultation with our partners.

This process should establish guidelines for participation.

On economic and security issues, the relevant states should be included, but not necessarily every state. The Asia Pacific Economic Cooperation leaders' meeting has too many participants, but it might serve as the basis for a new, smaller gathering. Or the East Asian Summit can welcome the United States to discuss a practical agenda. It is unlikely a new president will see the benefit of attending both, unless they can be blended into a common time frame or event.

The new institution or institutions need to focus on practical results. Absent a crisis, high-profile security issues would be too much to handle for a nascent organization in this broad region of considerable mutual mistrust. For

North Korean nuclear and related issues, the subregional Six Party Talks remain a viable forum. The initial region-wide agenda should include nontraditional areas of cooperation, including the environment, pandemics, terrorism, and disaster relief. Such an organization might have been a useful tool in offering relief for the victims of Burma's (Myanmar's) Cyclone Nargis.

At the end of World War II, a dominant United States chose to create or support, through coalitions, various liberal institutions such as the Bretton Woods system, the United Nations, the Marshall Plan, and what eventually became the European Union. The United States has a new opportunity today to lean for-

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ward and plan for the Asia-Pacific region. The necessity to do so will not be obvious to all Americans, but the regional appetite for this is palpable. As plans for a region-wide framework have lost momentum, the region's economic architecture is being shaped instead by other developments, including a proliferation of disparate bilateral free trade agreements, which frequently produce bizarre patterns.

Look ahead to when the United States will share power with China and India.

The plain fact is that the current rapid pace of growth of the Chinese and Indian economies, while it will slow over time, will nonetheless permit China and India easily to afford significant improvements in their military establishments. During this period, the U.S. public is likely to be less tolerant of recent levels of American defense spending in competition with other priorities, including healthcare, social security, and the environment. It is plainly in America's interest to take the lead in

beginning to structure a multilateral security arrangement in the region that will leverage other nation's capacities to maintain the public goods of security, stability, and predictability that have allowed and will permit nations, large and small, to prosper.

By the same token, it is in the American interest—and the region's—to develop mechanisms to harmonize and facilitate trade and financial practices in order to support the growth of the economies that have lifted many out of poverty and into prosperity. What is being done today is largely ad hoc and sub-regional, since the panregional Asia Pacific Economic Cooperation (APEC) forum has proven unwieldy and ineffective. While the region has recovered from many of the dam-

clines and the task becomes much harder. This will help restore America's prestige as a leader.

Ditch the rhetoric of the “war on terror.”

This language has blurred the lines in Southeast Asian Muslim countries between law-abiding Muslims and Muslims who are terrorists, when it is in our interest to keep them separate. The British long ago learned in the Irish insurgency not to use such terms, because they tend to make the entire population, rather than just the organized offenders, the enemy. Counter-terrorism is primarily a police and intelligence function, with an occasional military component. The United States will be more successful in obtaining cooperation in Asia and avoiding resentment if it sells its counter-terrorism policies in these terms.

Act now to build the architecture for protecting and advancing common interests before the relative strength of the United States declines.

aging effects of the 1997 financial crisis, for example, remedies have led to apparently excessive foreign exchange holdings and other distortions that a mix of region-wide agreements might avoid. Interbanking mechanisms and effective currency consultations, in particular, need attention.

Until recently, Americans took public pride that the United States is a great country, and not only because it has rich resources, a diverse and creative population, and a sound constitution-based system. America rose to greatness also because it eschewed unilateralism and forged grand coalitions to accomplish common tasks, leveraging the strength of allies and friends to enable us to conserve our own. Such a time is now before the new administration. It has the opportunity and responsibility to act now to build the architecture for protecting and advancing common goods and interests in the decades ahead, before so much time passes that the relative strength of the United States de-

Decide early on the U.S. approach to China.

Seven administrations have settled into various forms of constructive engagement or cooperation with China, despite the differing values and interests of the two countries' systems. A relatively brief excursion by the early Clinton administration into confrontation with China over human rights and trade ended in embarrassment and a temporary setback to U.S. objectives.

Asia, other than China, is already fertile ground for American engagement because of the region's concerns about the lack of transparency in the way China governs itself and how it plans to use its growing power. Explicit efforts to contain or offset Chinese power, however, will be frustrated by the other nations' desire to avoid being sucked into an unwanted confrontation. If China's external behavior later warrants a common response, it will be easier for the United States to forge an opposing coalition if it has not been crying wolf.

The People's Republic of China's leaders are rigorous about setting their priorities and sticking to them; otherwise, the country would be virtually ungovernable. The next U.S. president

will want to set his priorities clearly and early on to signal to China where constructive cooperation will lead. The new administration should want to find a way of expressing continued interest in China's playing an increasing role as a "responsible stakeholder" in the international system, which has provided the benefits of regional peace, accommodation of some of China's views and interests, and the economic means to advance from poverty.

A valuable means to this end is the Strategic Economic Dialogue (SED), initiated relatively late in the Bush administration. Treasury Secretary Paulson has worked to make this a lasting means for addressing long-term issues, including financial structures and practices, energy use, and climate change. Much like the Structural Impediments Initiative (SII) with Japan, begun during the George H. W. Bush administration and continued by President Clinton, the SED has the potential to channel difficult issues into productive and relatively nonpoliticized environments for resolution over a realistic period of years.

The so-called "Senior Dialogue," between the deputy secretary of state and his Chinese counterpart has also proven to be a useful exchange of views as well as a path for each government to understand the motivations and objectives of the other. It should be elevated to a regularly scheduled strategic foreign policy dialogue at the secretary of state-foreign minister level. Ideological inhibitions stunted this development in the Bush administration, belying U.S. calls for China to assume "responsible stakeholder" status in managing global affairs. Recently resumed human rights discussions should also be continued.

Colleagues at the Carnegie Endowment have urged that the United States and China take the lead in addressing climate change. If the two biggest carbon emitters and energy consumers can find common ground and negotiate a post-Kyoto arrangement to reduce carbon emissions and advance efficiency, one of the largest hurdles to international consensus will be overcome on an issue where the

globe is demanding progress.

The new administration should also seek new legislation concerning contacts between the armed forces of the United States and China. The Bush administration has repeatedly called for greater "transparency" from China about its strategic intentions, but our military has been constrained in its contacts with the People's Liberation Army by the 2000 Defense Authorization Act. U.S. commanders

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have urged they be given more license to interact with their counterparts, and the new president should support them.

In light of the mistrust engendered by China's destruction of its weather satellite in January 2007, a new administration might want to test China's stated willingness to adhere to an international convention to ban weapons in space. This convention would be a departure from Bush administration policy on reserving the right to use space. China has not addressed the issue of a ban on terrestrial weapons that could be launched into space, raising doubts about Beijing's willingness to forego antisatellite weapons. As the world's largest user of space-based assets, the United States has an interest in probing China's position.

Show steadiness regarding Taiwan.

Elections in Taiwan earlier this year have set the stage for decreased tensions between the island and the mainland, after ten years of on-and-off cross-strait confrontation. The United States facilitated this outcome, for which Beijing is grateful, but Washington should not bow out now, as Beijing sometimes suggests. The U.S. commitment to Taiwan's security is a matter of domestic law under the Taiwan Relations Act, as well as a moral imperative.

The primary issue in Taiwan's security is political, that is, devising policies that will promote mutually beneficial cross-strait interaction without sacrificing Taiwan's autonomy and democratic system. Decisions about defense sales or cooperation with Taiwan's military should be judged in light of how they will affect these objectives. The United States should support Taiwan's efforts to achieve reasonable accommodations with the mainland, and trust that Taiwan's democratic institutions will monitor its government's behavior.

It would not be wise to repeat the Clinton and Bush mistakes of supporting any policy but their predecessors'.

Decide the priorities for North Korea.

Whoever becomes president will likely find a North Korea that still possesses a handful of nuclear weapons held by a regime completely out of step with history.

The chances of success on a given issue with North Korea will be improved the more narrowly the issue is defined. The nuclear issue may eventually boil down either to a question of price or the regime's conception of how to guarantee its survival. So far, the answer is unknown. If the new administration imbeds its continuing six-party negotiations with North Korea in the context of a new initiative to update, revise, or replace the Nuclear Non-proliferation Treaty, it may be able to expand the range of options it can offer Pyongyang and to test the North's intentions.

South Korea is under the new administration of President Lee Myung-bak. Despite initial tensions over American beef, the new leadership promises improved coordination between Seoul and Washington. Partnered with a more cooperative ally, the United States can improve the offers and give meaning to the sanctions that are needed to be used in parallel to motivate change in Pyongyang's behavior.

Burma has been an easy dog to kick in Washington.

For 20 years, successive administrations have employed isolation and sanctions as the preferred means to change the Rangoon (Yangon) junta's behavior. These have manifestly failed to improve the lives of ordinary Burmese, as shown by the abominable behavior of the regime after Cyclone Nargis. Moreover, the presence of Burmese officials in ASEAN delegations has inhibited U.S. participation in that otherwise valued organization.

The junta has produced more than four decades of economic failure and repression. In the "saffron revolution" of 2007, it broke the internal taboo of killing monks. The ordinary Burmese who speak to foreign reporters show their contempt for the regime. The generals are clearly running scared, and time cannot be on their side.

External circumstances have also improved for trying a new approach. With the ending of "great man" leadership in Southeast Asia, governments there need to be more accountable and to avoid association with despotic regimes. The new Secretary General of ASEAN, Dr. Surin Pitsuwon, is a creative diplomat who knows how to bridge the deferential pattern of the "ASEAN way" with the growing desire in capitals there to accomplish results. Finally, China and India are increasingly willing to exert their influence on the generals in their own quiet ways, conscious that to do otherwise reflects badly on their international reputations.

For all these reasons, it is time for a fundamental reassessment of policy toward Burma (Myanmar). As a first step, the United States should step up its interaction with ASEAN to serve as cover for increased bilateral or multilateral assistance to the Burmese people.

Japan should be a major partner in all these efforts.

Unless there are major new developments between now and January, the new American president is likely to find Japan's leadership hobbled by divisive internal politics. The

Liberal Democratic Party (LDP) has a strong hold on the more powerful Lower House of the Diet; but the Democratic Party of Japan (DPJ) has a strong majority in the weaker but important Upper House. So far, the leader of the DPJ appears determined to maintain an obstructionist stance, frustrating new policy initiatives by Japan's ministers. An election is pending, but it does not promise resolution of the impasse.

Nonetheless, there is lemonade to be made from these lemons. Japan is a rich country with a talented bureaucracy and military. The United States will need to emphasize bipartisan consultation and attentive public diplomacy to persuade Japan's voters to accept new directions in their policies. The agenda should be pared into digestible-sized initiatives.

One example is expanded coordination of foreign assistance. After Iran, probably the second most treacherous policy challenge for the new president will be Pakistan. The United States has poured in billions without condition since 9/11. Japan is a big donor to Pakistan, and there is a consultation mechanism between Washington and Tokyo. China and Saudi Arabia are also large donors. Japan could be asked to convene all the major donors, to, at a minimum, take steps to remove conflicts in their assistance, and at a maximum, to improve the chances of increasing Pakistan's stability and prosperity. If China participates, this will be a first for Beijing, and will mark an important step in being a "responsible stakeholder." Given the widely divergent character of the donor governments, it could be a good demonstration of how to work together despite a lack of common values.

In sum, the new American administration should prepare before taking office and in the immediate aftermath to address this discrete set of issues involving the Asia-Pacific region, some big and bold, others small but telling policy adjustments. Experience has shown that it would not be wise to repeat the Clinton and George W. Bush mistakes of supporting any policy but their predecessors'. Clinton's

"anything but Bush" approach to China and Bush's "anything but Clinton" approach to North Korea have both been costly.

The sooner the president-elect's attention can be focused on the necessary issues, the greater the likelihood of lasting accomplishments in Asia will be.

Whether it wins one term or two, the life of any new administration will be short in retrospect. And the time for creativity and policy innovation is much shorter yet. This is compounded by the ever-lengthening confirmation process for important sub-cabinet officials. It will not serve the president to postpone key decisions until everybody is on board. The sooner the president-elect's attention can be focused on the necessary issues, the smoother will be his initial sailing, and the greater will be the likelihood of lasting accomplishments in Asia. ■

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