

## Challenges to the US rebalance to Asia

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November 2014

### Key Points

- The US policy of engagement with China has not led to expected Chinese political, diplomatic, and economic reforms.
- The US pivot to Asia is designed to take advantage of the region's current and future importance and address the rising insecurity in the region brought about by China's military modernization and more assertive behavior.
- Carrying out the rebalance will require, at a minimum, more resources for the US military, networked partnerships with friends and allies, and completion of the Trans-Pacific Partnership trade agreement.
- Until Washington admits it is engaged in a strategic competition with Beijing, the pivot likely will not have sufficient political backing to be carried out as needed.

To understand the challenges the United States faces in rebalancing to Asia, one has to be clear first about the reasons why a rebalance was thought necessary in the first place.<sup>1</sup> In other words, what is the geostrategic dynamic that led the Obama administration to believe that the existing policy was inadequate and needed to be modified? And what lessons might we learn from that history to guide policy in the future?

The reason for the change is not difficult to identify. For two successive presidencies—Bill Clinton (1993–2001) and George W. Bush (2001–2009)—the dominant policy toward the People's Republic of China (PRC) was “engage but hedge.”<sup>2</sup>

Not only was this a policy two presidents of different political persuasion shared, but it also had bipartisan support in Congress, as exemplified by annual votes throughout the 1990s giving the People's Republic of China (PRC) "most favored nation" trade status. And it was a Republican-led Congress that enacted legislation providing China "permanent normal trade relations" and, in turn, paved the way for China's full-fledged membership in the World Trade Organization in late 2001.

Clinton, of course, was also the president who sent two US Navy aircraft carrier battle groups off the shores of Taiwan in the wake of increased tensions with Beijing over US-Taiwan policy and China's decision to fire ballistic missiles off the island's coasts in March 1996. In short, by both opening up US markets to China and responding to the PRC's provocative actions, the administration was indeed following a policy of engaging but also hedging on the security front.

Although enhanced engagement with China brought expected economic benefits, the policy's broader strategic logic was that long-term engagement with China would gradually lead to a less autocratic, increasingly liberal China. In the meantime, the US would keep its dominant military position in the region to ensure that, in the short and intermediate term, nothing untoward might happen that would disrupt this seemingly inevitable march to "the end of history." And, given the American military's huge lead in advanced military technologies and power projection capabilities, this appeared to be a relatively easy end of the policy to carry out.

At least, this was the theory.

In practice, history took a different turn.<sup>3</sup> First, the Chinese Communist Party was determined not to repeat the mistakes of the late Soviet Union. Second, rather than accept American military predominance exhibited in Kosovo, the 1996 crisis, and the two wars with Iraq, Beijing authorized a sustained effort to first reduce and then challenge the very underpinnings of the American military's ability to project power in China's surrounding waters. And, third, the internal contradiction in the American policy of engaging and hedging came into play in ways that made Washington's reaction to Chinese policy often belated and inadequate.

Hedging was often the stepchild to the more important goal of using engagement to transform the Chinese regime. Within administration and congressional policymaking circles, the argument against more overt hedging was “why cause increased tensions over something China has done now, perhaps endangering further engagement, when engagement on the economic, diplomatic, and cultural fronts will ultimately solve these disputes by moderating Chinese behavior?” In brief, the US should keep its eyes on the long game and not let short-term aggravations undermine its strategic goal when it comes to China.

As evidence of this logic, one needs only to track the desultory efforts by successive administrations to sell weapons to Taiwan.<sup>4</sup> Although the US government has a statutory obligation to “make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability,” it is clear from the Pentagon’s annual China military power reports that it had not done so as the balance across the Taiwan Strait changed rather dramatically since the mid-1990s in China’s favor.<sup>5</sup>

During Bush’s second term, doubts began to be raised about the viability of the “engagement first” strategy, with the most important note of caution came from a surprising source in 2005, then–Deputy Secretary of State Robert Zoellick. Not known as a China hawk, Zoellick famously invited Beijing to become a “responsible stakeholder” in the international system—implying of course that China had not done as much as it could in that regard.<sup>6</sup> Indeed, he noted that, since the late 1970s, the US had been “opening doors to China’s membership into the international system” with the expectation that doing so would lead to change in Chinese behavior as it saw the security and economic benefits of that system. He then went on to offer a set of benchmarks for judging just how successful engagement would be in moving China along the path toward being a responsible great power.

Zoellick noted that, although China had “gained much from its membership in an open, rules-based international economic system,” its mercantilist economic policies put its commitment to that system’s underlying principles in doubt. He then went on to discuss, among other things, the lack of transparency in China’s military buildup, Beijing’s halfhearted help when it comes to

dealing with North Korea and Iran, and its “choices about Taiwan.”<sup>7</sup> Using Zoellick’s criteria for measuring how far the PRC has become a responsible stakeholder, one would, at best, have concluded that, by the end of Bush’s years in office, Beijing generally seemed no more headed toward engagement’s larger goal of fundamental reform than at the beginning of his first term.

### **Engagement and Reassurance**

This was the state of play when the Obama team took over. And his team was ready to try something new. US policy toward China would still be one of engagement—but engagement with a difference.

No longer would engagement apparently be tied to the long-term, strategic goal of China liberalizing internally. Hence, administration officials would downplay human rights issues, as Secretary of State Hillary Clinton did on her visit to China.<sup>8</sup> Rather, engagement would be designed to reassure Beijing that Washington did not oppose China’s rise to great-power status through cooperation on a host of issues on which the two countries had overlapping interests. As Obama told China’s leaders in July 2009, “The relationship between the United States and China will shape the 21st century,” making “it as important as any bilateral relationship in the world.”<sup>9</sup>

This strategy also fit with Obama’s desire to focus his agenda on domestic issues. Foreign affairs and the wars in Iraq and Afghanistan had overwhelmed the previous presidency, and Obama was determined not to let that happen during his time in office. The result was a push to end these wars, negotiate a settlement with Iran, and reset relations with Russia and China.

However, as Obama discovered when the Chinese delegation upended his efforts to salvage the climate change summit in Copenhagen in December 2009, overlapping interests is not the same thing as the same priority of interests.<sup>10</sup> China’s leaders were undoubtedly concerned about their country’s environmental problems, but their more pressing problem was making sure the country continued to grow economically. More stringent carbon dioxide emission standards were at odds with that more immediate task.

As the Obama team also discovered, its attempts to engage more deeply with Beijing were complicated by the fact that Beijing read these efforts as an implicit signal that a war-weary and recession-ridden Washington was scrambling to make the best of its declining global position.<sup>11</sup> Instead of accepting the administration's offer of a new G-2 condominium, China's ambitions seemed to grow—not recede—as it continued its military's buildup and became even more assertive with neighboring states. It appeared that Deng Xiaoping's admonition that China should “not seek leadership” and should “maintain a low profile” was no longer guiding Chinese policy.<sup>12</sup> PRC President Xi has even gone so far as to suggest that the security architecture the United States set in place has outlived its utility in stabilizing the region and that Asian security should be left to Asians—implying that perhaps the region is not in fact “big enough,” as Secretary Clinton once said, “for all of us.”<sup>13</sup>

Such changes on the PRC's part suggested that there was something more going on than just a difference in priorities of interests when it came to relations between the US and China.

For example, it would be difficult to believe that China's leaders did not expect a negative reaction from the nation's neighbors and the United States when they announced the creation of an expansive air defense identification zone over the East China Sea in November 2013. But that raises the question of why those leaders are behaving the way they are when China has so many domestic problems that need urgent attention and when its continued growth and ability to deal with those problems depends on a stable international order. China's remarkable leap from impoverished nation to the second-largest economy in the world has been made possible by taking full advantage of the existing international economic order. Beijing has every reason not to kill the golden goose of globalization by turning the attention of the region's other powers from trade and business to security and armaments. Why pick fights now?

One possible answer is found in the prescient cable sent in 1900 by the Austrian-Hungarian ambassador to Berlin, Count László Szögyény-Marich, about a rising Germany's long-range strategic ambitions:

The leading German statesmen . . . have looked into the distant future and are striving to make Germany's already swiftly growing position as a world power into a dominating

one, reckoning hereby upon becoming the genial successor to England. . . . People in Berlin are however well aware that Germany would not be in a position today or for a long time to assume this succession. . . . Notwithstanding this, Germany is already preparing with speed and vigor for her self-appointed future mission. In this connection, I . . . refer to the constant concern for the growth of German naval forces. . . . England is now regarded as the most dangerous enemy which, at least as long as Germany is not sufficiently armed at sea, must be treated with consideration . . . but because of the universally dominant Anglophobia, it is not easy [to convince public opinion of this].<sup>14</sup>

The point is that, as with individuals, nations have ambitions. And even though England and Germany on the eve of World War I had extensive commercial ties—indeed, they were each other’s best customers—and Germany had grown exponentially more powerful under the umbrella of Pax Britannica, this did not stop Germany from wanting to replace Great Britain on the top of the global order nor reduce concerns that London would strive to prevent this from happening.

It is not difficult to see parallels in this instance with China and the United States today. Overlapping interests and China’s deep integration into a US-led global economy notwithstanding, China’s ambitions are not confined only to ensuring the country’s prosperity but also to returning to its centrality in the international order. As former prime minister of Singapore Lee Kuan Yew has succinctly put it: “How could [China] not aspire to be number 1 in Asia, and in time the world?”<sup>15</sup>

### **The Pivot**

Three factors led the Obama administration to modify its policy toward China and Asia from its initial effort at deeper engagement.

The first was simply that the policy was not working. Chinese behavior was getting more aggressive, not less, across a number of fronts: cyber, East China Sea, South China Sea, and Sino-Indian border. The PRC’s list of “core interests” seemed to be expanding, just as the People’s Liberation Army’s (PLA) military modernization program was. (As the then-

commander of the US Pacific Command remarked back in 2009, “In the past decade or so, China has exceeded most of our intelligence estimates of their military capability and capacity, every year.”<sup>16</sup>) For China’s neighbors, the message was: “China is a big country and other countries are small countries, and that’s just a fact.”<sup>17</sup>

A second, more positive reason for the rebalance was that the region was seen as key to expanding the American economy in the years ahead. Politically, it was also home to populous liberal democracies India and Indonesia, a newly vibrant South Korea, and long-standing friends and allies like Taiwan and Japan.

Less talked about were the cuts the Obama administration and Congress had made to defense spending and the resulting impact on American military capabilities. When the rebalance to Asia was officially confirmed as administration policy with the release of the Defense Strategic Guidance in January 2012, the underlying impetus was that defense resources could no longer support the long-standing US military strategy of having a capability to fight two major conflicts at the same time—the so-called “two-war standard.”<sup>18</sup> With no prospect politically for closing the gap in resources, the administration decided that its strategic priority would be to stabilize an increasingly problematic situation in Asia.

This also coincided with the view from within the administration that continuing to draw down military forces in Europe was reasonable in the absence of any perceived security problem facing the continent and the president’s own determination to end, as much as possible, military involvement in the Middle East and North Africa.

None of this meant, of course, that the administration had given up its policy of engagement with China. But what it did suggest was that the administration had become more realistic about its ability to create a benign path for China’s rise to great-power status.

### **Implementing the Rebalance**

**A Great-Power Competition.** The US effort to give greater attention to Asia is driven in large part by the growing great-power competition with China. Admittedly, this end has been difficult

for this and previous administrations to state explicitly. No one wants a new great-power competition, with all that it implies. But, as Aaron Friedberg has argued, whether we like it or not, the United States and the PRC are “today locked in a quiet but increasingly intense struggle for power and influence, not only in Asia but around the world.”<sup>19</sup> Or, as Ashley Tellis has written,

When all is said and done, this deepening Sino-American power-political competition derives fundamentally from the fact that both nations find themselves trapped in inescapable opposition. The United States seeks to protect its global hegemony—as it must, if it is to advance its varied national interests—while rising Chinese power is orientated toward eroding that U.S. primacy, which remains the most dangerous external constraint on Beijing’s ability to use its steadily accumulating power to reshape the extant political order to serve its own interests.<sup>20</sup>

Of course, the competition between the US and China is not the same as that between the United States and the Soviet Union was. There is less ideological tinge, no huge allied blocs are facing off against one another, and China is more deeply engaged economically with the rest of the world than the Soviet Union ever was.

Nevertheless, the fact that relations between the US and China have evolved into a great-power competition should not be ignored, nor should it necessarily lead to the conclusion that conflict is inevitable. The Cold War standoff between the United States and the Soviet Union did not in fact lead to an actual great-power war. To the contrary, despite the very real animosity between the two countries and the various competitions between them in various parts of the globe, Moscow and Washington never came to armed blows precisely because the United States adopted policies that deterred Moscow, reassured allies, and deepened the liberal international order in the face of Soviet recalcitrance.

**“Defending” the Rebalance.** An immediate problem the United States faces is that, through China’s two-decade-old military modernization effort, it has begun to put in place a system of anti-access, area-denial (A2/AD) capabilities that make the American military’s ability to project power, retain presence in the region, and reassure Asian allies and partners far more

problematic.<sup>21</sup> American bases in the region, surface combatants, and aircraft carriers are increasingly vulnerable to the PLA's fielding of advanced ballistic missiles; long-range cruise missiles; smart torpedoes; and the command, control, communications, and surveillance networks necessary to make these PLA weapons effective.

Administration officials have stressed repeatedly that cuts in US defense spending would not damage the effort to rebalance military capabilities to meet this problem. Obama, in an address to the Australian Parliament in November 2012, explicitly stated, "Reductions in U.S. defense spending will not—I repeat, will not—come at the expense of the Asia Pacific."<sup>22</sup>

But the president's promise came before the full implications of the passage of the Budget Control Act (2011) were fully understood. For example, a pledge by the US Air Force and US Navy to have 60 percent of their force structure in the Asia-Pacific area of responsibility—as opposed to the traditional 50-50 split of the past between the Atlantic and the Pacific—is hardly an increase if both services are decreasing in size. The Navy, for example, has for some time stated that it needs more than 300 ships to carry out Pentagon plans. Yet, with cuts mandated by the BCA, the fleet may shrink to less than 260 ships.<sup>23</sup>

Because of budget constraints, the rebalancing that has taken place so far is comparatively modest, including deployment of two Littoral Combat Ships to Singapore and a modest Marine Corps presence to Australia—an effort made possible not by the addition of marines to the theater but by the drawdown of marines from the base in Okinawa, Japan. Even the pledge to have six aircraft carriers in the Pacific is hardly groundbreaking because, less than eight years ago, six carriers was the norm.

Although the Pentagon is reluctant to admit it, its decision to pursue the joint Air-Sea Battle concept was generated principally in response to China's growing A2/AD capabilities.<sup>24</sup> And while some of this effort simply required increased cooperation among existing forces, especially the Air Force and Navy, to be fully realized the concept also requires investments in new military systems, basing, and force planning.<sup>25</sup>

Among the adjustments needed is a wider distribution of forces in the region. With American forces concentrated in South Korea and Japan, and within reach of Chinese missiles, a prerequisite is diversifying the number of bases and taking steps to harden existing ones. Rotating forces in and out of these new bases is not enough to keep the peace, however. “On-station” forces are still crucial for reasons of presence and allied reassurance.

In addition, the US will have to continue acquiring military systems to defend at-risk land- and sea-based targets. These will include sustained procurement of the stealthy F-35 fighter-bomber; continued development of unmanned surveillance and strike platforms; development and acquisition of the long-range, next-generation bomber; and stealthy, long-range cruise missiles. Such systems are needed not only to raise the cost for any Chinese attack but also to deny the PLA, in the early stages of any conflict, the ability to use its constellation of sensors, radars, and weapons platforms to sustain its A2/AD efforts.

In that connection, the Pentagon will also need to upgrade and make more resilient the US military’s own command, control, and intelligence infrastructure in the face of China’s growing cyber, electronic warfare, and antisatellite capabilities.

And, finally, the US should play to one of its key strengths, undersea warfare. The current attack submarine force is due to shrink in number in the years ahead, when it needs to be increased, in conjunction with deployment of a new family of unmanned underwater vehicles to carry out such tasks as intelligence gathering and mining. Indeed, a key shortfall in the US Navy’s inventory of capabilities lies in the mine-warfare arena. Given that “Chinese anti-submarine warfare remains,” according to Lyle Goldstein of the US Navy War College, its “Achilles Heel,” this is a vulnerability that American strategists should take advantage of, making it clear that China is likely to suffer a debilitating blockade of both its commercial and naval shipping should a conflict erupt.<sup>26</sup>

As this brief inventory indicates, however, there are doubts that these investments can be made, given current and planned defense budgets. There may simply not be enough dollars to develop or acquire new systems, let alone to significantly increase force structure in the Asia-Pacific

region if the Budget Control Act is kept in place. A second problem is that, as I have noted, the rebalance was founded on the administration's assessment that Europe faced no immediate security problems and its desire to disengage militarily as much as possible from the Middle East and Africa, but neither of these appears to reflect current situation.

The fact is, power does abhor a vacuum. If the United States is not there to deter, more than likely bad actors will indeed take advantage—be it Russia, Iran, or the jihadists.

The irony, of course, is that one of the Obama team's principal criticisms of their predecessor was that the Bush administration spent so much time focused on the wars in Iraq and Afghanistan that it neglected American diplomatic, economic, and security interests in Asia. Yet, today, the hot spots that are consuming the current administration's attention are precisely the areas the White House has wanted to disengage from militarily.

Giving greater attention to Asia is certainly called for, but if it comes at the expense of other key parts of the globe, it likely will be counterproductive, and America's resources and attention will, as President Obama is discovering, at some point be drawn back into those areas as the security situation worsens. A true rebalancing is neither possible given the state of today's military nor likely to be sustainable if planned defense cuts under the Budget Control Act are not reversed.

**Balancing Out the Rebalance.** Given the problems with the American defense budget, it is not surprising that the administration has emphasized that the rebalancing to Asia is not simply about boosting military capabilities in the region.<sup>27</sup> And, of course, the administration is right in that regard, even if a crucial driver behind the timing of the pivot was the growing problem presented by China's more aggressive behavior in the region. The pivot does have other elements (trade, diplomatic, and so forth) and corresponding challenges to meet in each of those areas.

Perhaps the most important of the other elements is promoting further economic integration and trade liberalization within the region. And the key to doing so is completion of the Trans-Pacific Partnership (TPP) accord, which seeks to eliminate all tariffs against member states over the course of a decade and to increase regulatory coherence among the signatories. With the

negotiating states involved representing nearly a third of all global trade, the pact would have substantial economic benefits when (and if) concluded. In addition, an agreement would have as a larger strategic purpose the deepening of the liberal economic order in the region.<sup>28</sup> A completed TPP would lessen the relative pull now exerted by the Chinese economy on Asian-Pacific states by providing greater market access elsewhere. It would also, as seen with other free-trade agreements, enhance cooperation among the signatories and ties between the private sectors of the various countries.

TPP would also eliminate existing US legal hurdles that constrain American exports of natural gas to energy-hungry Asian states. Becoming the “Saudi Arabia” of natural gas exports would almost certainly deepen the US’s strategic ties to the region.<sup>29</sup>

However, at the moment, TPP negotiations seem stalled, with various countries holding out for what they consider better issue-specific terms (US—IPO protection; Japan—agriculture; Malaysia—state-owned enterprises; Canada—dairy products). But, in some respects, these issues are not likely to be resolved in the absence of US leadership. For example, why should a foreign leader agree to a measure that might be problematic domestically in the absence of American political top cover? And top cover in this instance means passage of trade promotion authority (TPA), which forces the US Congress to vote up or down for a negotiated agreement, with no amendments allowed and within a specified time. As Ely Ratner of the Center for a New American Security recently said, “No other act by Congress in the coming months would contribute more to U.S. foreign policy and national security interests in the region. President Obama will have to lead on the issue, but Congress has a vital role to play in setting the terms of the debate.”<sup>30</sup> But, unfortunately, neither the administration nor Congress has shown much interest in making TPA (or “fast-track authority,” as it is also known) a priority.

On the diplomatic front, early on, the Obama administration made much of the fact that it thought the previous administration paid too little attention to the region. And, in fact, when comparing trips to the region made by secretaries of state, for example, the administration has kept its pledge to be more engaged at the senior level. But, in recent months, the engagement has been something of a mixed picture. On the one hand, the president cancelled his trip in the fall of

2013 as domestic matters took precedence; on the other hand, the president did reschedule the trip for the spring of 2014, and both his secretaries of defense and state preceded him with official visits of their own.

And, indeed, one significant step in implementing the rebalance produced by the president's trip was the signing of the Enhanced Defense Cooperation Agreement with the Philippines. The executive agreement is intended to deepen defense ties and help the Philippines close gaps in its military capabilities, and it authorizes both increased access by the US military to Philippine bases and the right for the US to store prepositioned military equipment and material.<sup>31</sup>

Less progress, however, has been made in networking allies and partners in the region to establish a coherent approach to meeting the security needs of the East and Southeast Asia. Barriers to intelligence sharing and developing a "common operating picture" for the near seas remain. Also, major allies have concerns that the Pentagon and the administration have been both slow to explain how they might fit into the Air-Sea Battle concept and uncertainty about how best to coordinate efforts to build "partnership capacity" in emerging regional partners.<sup>32</sup>

Finally, less a diplomatic challenge than a missed opportunity to enhance the rebalance is the failure to take advantage of the fact that more people now live under liberal democratic rule in Asia than any other part of the globe. Japan, Australia, New Zealand, and India are no longer exceptions in this regard. Over the past three decades, democratic rule, with all its imperfections, has taken root in South Korea, Taiwan, the Philippines, and Indonesia. As Freedom House notes, "Although [Asia] is home to China, where over half the world's 'Not Free' population lives, and North Korea, the least free country in the world, a number of Asia-Pacific countries have made impressive gains in the institutions of electoral democracy—elections, political parties, pluralism—and in freedom of association."<sup>33</sup>

Yet, in a region full of multilateral forums of all kinds, not a single one brings the democracies together, despite this democratic progress.<sup>34</sup> The US could give the rebalance political heft by establishing a forum of like-minded liberal regimes to discuss how they could work together to provide any number of regional public goods, such as planning for disaster relief, addressing

cross-border environmental concerns, providing peacekeeping forces, coordinating counterterrorism and counterproliferation efforts, and supplying civil society and election-monitoring support for emerging democracies. Such a forum would not replace existing multilateral efforts or supplant bilateral arrangements, but it would serve to institutionalize the political bonds that ultimately support the rebalance's larger goals.

Such an effort will, of course, be seen as aimed at isolating China. But since Beijing already participates in various regional forums and the United States is not a member of the PRC-led Shanghai Cooperation Organization, the complaint should ring hollow.

However, there is no denying that it could be an element in America's ongoing soft-power competition with China. In recent years, China has spent considerable resources "fighting" the soft-power battle, with the establishment of Confucius Institutes around the world, selling the Beijing Consensus as an alternative model of development to the Washington Consensus, and the expansion China Central Television programming in foreign languages. However, China has seen only marginal improvement in its image globally, according to polls. The difference in favorability between the US and China in polls among the major East Asian countries was substantial.<sup>35</sup>

In short, although the US government, as a liberal democracy with a free press, thousands of media outlets, and connections to every conceivable corner of the World Wide Web, has little control over how it appears to the world on a day-to-day basis, it can and should take steps, as it did in Europe decades ago, to establish institutions that help sustain that soft-power edge and also help reinforce shared governing principles.

## **Final Challenges**

Establishing new military capabilities, trade relations, and multilateral organizations is always easier when a country, in this case the United States, has the sense that it is on an upward trajectory. And nothing supports that sense like a healthy and growing economy. The Carnegie Endowment's Ashley Tellis correctly concludes in his monograph, *Balancing without*

*Containment: An American Strategy for Managing China*: “Revitalizing the [US] domestic economy is imperative to sustaining American hegemony. To maintain its global economic dominance, the United States must emphasize labor force renewal, promote disruptive technological innovations, increase efficiency in production, and resolve the political squabbles that prevent Washington from fixing the country’s public finances.”<sup>36</sup>

The US also needs to take fuller advantage—both economically and strategically—of the tremendous opportunities afforded by the vast amounts of unconventional natural gas and oil reserves that North America has been blessed with. Needless to say, a growing economy with healthy tax revenues makes spending more on defense much easier for administrations and politicians who have plenty of other spending priorities.

No less an issue is reestablishing American credibility. Although it is perhaps understandable why the current administration has been reluctant to take the lead or deeply involve itself in many of the difficult foreign policy issues it faces, former Secretary Clinton is right to note, “Don’t do stupid stuff” is not an organizing principle” for a great nation’s foreign policy.<sup>37</sup>

Moreover, the administration’s failure to act on the declared red line over the Syrian government’s use of chemical weapons and its relatively indecisive response to the Russian invasion of Ukraine and subsequent annexation of Crimea have had a noticeable impact on Asian governments’ perceptions of America’s overall credibility. This is one reason why it was important that Obama made explicit on his April trip to the region that the disputed Senkaku-Diaoyu islands of the East China Sea fell under the protective umbrella of the US-Japan Security Treaty.<sup>38</sup>

As important as that reaffirmation was, the more difficult problem the US faces is how to maintain credibility in the face of the PRC’s “salami-slicing” tactics in its neighboring waters. At best, Washington gave a mixed response to Beijing’s decision late last year to establish an Air-Defense Identification Zone over disputed areas of the East China Sea. Sending a few military planes through the zone without notifying the appropriate Chinese air control authorities is one thing; it is another to then instruct all commercial aircraft to abide by this new requirement from

China. Just-below-the-military-threshold tactics have been employed in the South China Sea as well, with the latest being Chinese vessels pouring thousands of tons of sand onto a reef in the Scarborough Shoal and the placement of a giant, state-owned oil rig off Vietnam's coast.

The American position is neutrality toward the specific disputes, with the caveats that it wants the disputes settled peacefully and acceptance that the principle of "freedom of the seas" applies to the area. Reasonable on their face, these positions do not answer the tactics now employed by the PRC. China's acts of assertiveness have not been met with an American counterpolicy that would seem to deter Beijing from continuing down this path. To remain credible as the guarantor of the existing regional order, Washington will have to address this apparent hole in its Asia-Pacific strategy.

Successfully carrying out a rebalance to Asia and, in turn, meeting the challenge posed by China's rise will require more resources and more decisiveness on the part of the Obama administration and, undoubtedly, its successor. However, continually downplaying, as senior administration and military officials do, that the rebalance is not largely about meeting the challenge posed by today's China undermines the very public support needed to support change policies and provide needed resources.<sup>39</sup>

If anything, the US government should have learned over the past two decades that our ability to influence China's development is limited and our policies will have to be aimed at the China we know today versus the one we might hope for tomorrow. In short, being honest about the challenge China poses is the first step in meeting the other challenges to America's rebalance to Asia.

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## **Notes**

This paper was presented at "US Rebalancing Strategy and Asia's Responses," a conference hosted by the Institute of European and American Studies of the Academia Sinica, Taiwan, on August 21–22.

1. The three most important statements announcing the policy of rebalancing were: The White House, “Remarks by the President Obama to the Australian Parliament,” November 17, 2011, [www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament](http://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament); Hillary Clinton, “America’s Pacific Century,” *Foreign Policy*, October 11, 2011; and US Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, January 2012, [www.defense.gov/news/defense\\_strategic\\_guidance.pdf](http://www.defense.gov/news/defense_strategic_guidance.pdf).
2. For an overview of the engage but hedge policy, see Aaron L. Friedberg, *A Contest for Supremacy: China, America and the Struggle for Mastery in Asia* (New York: W. W. Norton & Co., 2011), 264–84.
3. For an account of China’s stalled liberalization, see Minxin Pei, *China’s Trapped Transition: The Limits of Developmental Autocracy* (Cambridge, MA: Harvard University Press, 2006).
4. For a detailed account of US arms sales to Taiwan, see Shirley A. Kan, “Taiwan: Major U.S. Arms Sales Since 1990,” June 13, 2014, Congressional Research Service, <http://fas.org/sgp/crs/weapons/RL30957.pdf>.
5. The text of the Taiwan Relations Act of 1979 can be found at [www.ait.org.tw/en/taiwan-relations-act.html](http://www.ait.org.tw/en/taiwan-relations-act.html). An annual Pentagon report to Congress in 2010 stated the obvious: “The balance of cross-strait military forces continues to shift in the mainland’s favor.” See US Department of Defense, *Military and Security Developments Involving the People’s Republic of China*, 2010, [www.defense.gov/pubs/pdfs/2010\\_cmpr\\_final.pdf](http://www.defense.gov/pubs/pdfs/2010_cmpr_final.pdf).
6. See Robert B. Zoellick, “Whither China: From Membership to Responsibility?” *NBR Analysis* 16, no. 4 (2005), [www.nbr.org/publications/nbranalysis/pdf/vol16no4.pdf](http://www.nbr.org/publications/nbranalysis/pdf/vol16no4.pdf).
7. *Ibid.*
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39. For example, see note 24 and Deputy Secretary of Defense Ashton Carter’s remarks in 2012 that the rebalance was “not about any single country or group of countries.” He added, “It is not about China, it’s not about the United States. It’s about a peaceful Asia-Pacific region”—leaving one to ask why all the military steps he outlines in the speech are necessary to keep the region peaceful if no one country is putting that stability at risk. See Carter, “The U.S. Strategic Balance to Asia: A Defense Perspective,” (speech, New York City, August 1, 2012), [www.defense.gov/Speeches/Speech.aspx?SpeechID=1715](http://www.defense.gov/Speeches/Speech.aspx?SpeechID=1715).