

A Vision of Asia

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Abstract

In a quiet and unassuming way, seven years of the Bush administration has left Asia in fairly good shape. Relations with China and Japan are strong. There is a multilateral process in place to denuclearize North Korea. Engagement with ASEAN countries has been deep. The United States is still viewed as the region's key provider of the public good. Academics who wrote about Asia as a "cauldron of conflict" after the Cold War predicted the complete obverse of this outcome. Bush-bashers will never give the administration credit, nor even acknowledge that there was a conscious strategy in place. But few would be willing to trade the current situation in Asia for any other period in recent history. Asia will be the fastest growing and most dynamic region of the world for generations to come. America is and will remain a Pacific nation drawn by trade, values, and history to be a part of the region's bright future. It will be incumbent on a new administration, Democrat or Republican, to keep Asia on an even keel by building on the accomplishments of the past seven years.

Keywords: Bush administration, China, Japan, ASEAN, the United States

It has become commonplace to lament the demise of the US position in Asia. The conventional wisdom shared among pundits is that a confluence of trends, including power transitions, rising Asian nationalism, and bad US policy choices will be read at the eulogy of lost American leadership in Asia. This charge, while directed against all recent US administrations, has been most harshly made against the Bush administration. Critics argue that the administration has failed to deal with China's economic and political rise. Washington's singular focus on counter-terrorism has alienated many Asians. Distracted by self-inflicted wounds in Iraq, the administration has chosen not to participate in new regional groupings like the East Asia Summit, which reflects Asia's desire for a new political and security architecture. China has sought to position itself at the center of this growing economic and security regionalism; the United States, by contrast, has clung to an outdated bilateral alliance structure serving narrow US needs while not addressing larger regional issues or demands. Academics argued that weak US leadership would be compounded by Sino-Japanese power competition, the lack of institutions, and unresolved historical animosities to plunge the region into unmitigated rivalry.

The conventional wisdom on both counts is greatly exaggerated. The unconventional truth is that the US position in Asia is stronger than ever and Asia remains at peace. Purposefully or unwittingly, the United States is turning over to the next administration an Asia policy that is in fairly good shape. This is not only with respect to sustained US leadership but also in terms of managing balanced relations with key powers in North and Southeast Asia. The United States has achieved a pragmatic, results-oriented cooperative relationship with China. At the same time, it has deepened and strengthened the US-Japan alliance, effecting the biggest realignment of forces in Okinawa in over three decades while expanding the scope of US-Japan global cooperation. Moreover, Japan and China are improving bilateral relations creating a US-Japan-China triangular formula that is unique and beneficial to

regional stability. On the Korean peninsula, Washington has made significant improvements in the bilateral defense relationship with ally South Korea. In North Korea, a multilateral six-party process is in place that has achieved the shutdown of the DPRK's bomb-making capabilities and offers the potential for deeper cuts in the DPRK nuclear programs. And in Southeast Asia, the United States has managed a steady improvement in relations following from its leadership in responding to the 2004 tsunami.

Electoral histrionics in Japan, the United States, and South Korea dictate that few will give incumbent administrations any credit for these outcomes. In the US case, critics may even attribute Asia's good fortune to benign neglect as the administration's neoconservatives were focused on the Middle East and Iraq. Nevertheless, President Bush and his national security team can associate themselves with an Asia policy that overall has worked. The policy trap is that just as Asia is in a good place after seven years, it has the potential for getting worse. Election season in the United States has already begun to polarize the discussion on Asia between the two extremes of military competition (with China) and trade protectionism. Responsible candidates on both sides of the aisle must be mindful of several key policy parameters to avoid sending Asia off the rails.

Asia's Benefactor?

Pundits have made a career out of claiming that China is "eating our lunch" in Asia. As Beijing builds its military capabilities, it is pressing for free trade agreements with ASEAN nations, Australia, New Zealand and others; at the same time, it is occupying central positions in different regional arrangements including the ASEAN Plus-Three (Japan, Korea, China), the Shanghai Cooperation Organization (China, Russia, Kazakhstan, Tajikistan, Kyrgystan), and the East Asia

Summit (everyone except the US). International relations theorists define this as a power transition where China displaces the US as the region's new benefactor.

A power transition may come to Asia someday, but not anytime soon. What gets missed in all the hand-wringing about who becomes Asia's next number one is this -- in order to be the region's benefactor, the lead power must be willing and capable of providing for the public good. What made the United States the hegemon in the west after World War II was not just that it provided markets for the recovering European and Asian economies, but also that it provided the collective good of security. In Asia today, China offers a vast market, but it has not demonstrated the capability as a public goods provider. Nowhere was this more apparent than in the response to the Tsunami disaster that swept South and Southeast Asia in December 2004, where China's response was slow and meager.

The world was unprepared for the scale of this natural disaster which took over 280,000 lives and displaced over 1.8 million people. When no one had the infrastructure or mandate to coordinate a response (especially in devastated Aceh), the United States responded within 48 hours through the formation of a "Tsunami Core Group" of key bilateral allies, Japan, Australia, and India, and organized the largest emergency disaster relief mission in modern history which included over 16,000 US military personnel, two dozen ships, and 100 aircraft for rescue and relief operations (at a cost of some \$5 million per day) providing some 24 million pounds of relief supplies and equipment.¹ These efforts provided both the time and the infrastructure for UN agencies to mobilize and get on the ground. In the aftermath of the tsunami, the United States also worked with regional players on a tsunami early warning system and in rebuilding devastated areas.

¹ Ralph Cossa, "South Asian Tsunami: US Military Provides 'Logistical Backbone' for Relief Operation," *Ejournal USA*, March 2005, <http://usinfo.state.gov/journals/ipts/1104/ijpe/cossa.htm>, accessed July 30, 2007.

When a crisis of the tsunami's magnitude occurred, the automatic reflexive reaction of everyone was to look to the US for leadership. When the White House communicated with Asian leaders, they all sought out US capability and will to provide the collective good. Despite the hype about China's economic and political weight in Southeast Asia, Beijing was not expected nor willing to lead beyond small contributions of relief assistance and a medical team. There is still only one true leader in Asia, whether the United States covets this role or not.

China as a Responsible Stakeholder

This is not to argue that the United States basks in the triumph of a zero-sum competition for influence in Asia with China. On the contrary, the Bush administration has moved from a China policy that was confrontational at the start (marked by a difficult altercation over a US EP-3 spy plane in April 2001) to a hard-nosed yet cooperative dialogue resting on three bilateral channels: the Senior Dialogue, the Strategic Economic Dialogue (SED), and the relationship between the two leaders. The key concept for the relationship is China as a "responsible stakeholder." Coined by former Deputy Secretary of State Robert Zoellick, the stakeholder principle calls for China to become a more responsible player on regional and global issues. The Chinese leadership has welcomed the concept because it connotes American acceptance of China's rightful place in the world, and because it accepts that China's growth is not a zero-sum game, and can lead to cooperation on numerous global issues. This has even allowed for Washington and Beijing's discussion on democratic values in ways that are not meant to isolate China, but demonstrate the benefits of greater political liberties as China seeks its proper place in the world. Asia's future is always better when the United States can accept that there are benefits to

China's rise; and China can view a discussion of democratic values in constructive rather than confrontational terms.

In this regard, the four meetings of the Senior Dialogue, led at the Deputy Secretary level by John Negroponte and Dai Bingguo, have covered a broad range of global issues, and produced good cooperation on counter-proliferation problems like North Korea and Iran, and on devising a post-Kyoto climate policy. The Senior Dialogue has been less successful on human rights and Chinese policy toward Africa. But in both cases, deliberate and continuous US persuasion coupled with the spotlight of the Beijing Olympics is likely to compel improved Chinese behavior over the coming year.²

The SED, newly created by Treasury Secretary Paulson, seeks to manage difficult issues like intellectual property rights and currency valuation at a high political level, not just at the bureaucratic working-level. This dialogue has been criticized as ineffective, which is unfair given that it has only met twice. It has made modest progress on pushing Beijing for currency revaluation (the renminbi has appreciated 9.4% seen mid-2005), and some progress on China's clampdown against software piracy. Trade tensions with China are now undeniably high - 27% of current commerce anti-dumping orders are on Chinese goods; USTR has authorized four cases against China in the WTO since last year; and Congress threatens legislation to slap tariff on all goods made in China - but the SED signals to the region the US commitment to manage trade tensions through high-level negotiations, rather than through trade wars. Paulson's July 2007 trip to Beijing represented part of this effort to deal with currency reform and the recent concerns over food safety. The SED will never solve every economic problem we have with China, but it has the full backing of the White House, and will show greater gains in the future.

² See Victor Cha, *Sports Diplomacy in Asia and the Beijing Olympics*, book ms., (forthcoming 2008).

Discussions between Presidents Bush and Hu constitute the least formal, but the most important aspect of relations. From early on, the White House understood that the most effective way to get things done in China is at the very top, and so the administration worked to cultivate relations with Jiang Zemin and then Hu Jintao. The two leaders can pick up the phone and hold frank conversations when real action is needed on pressing issues. While these relations are not trustworthy, one could say that both sides deeply value the need to deliver on commitments made through this channel. This channel was particularly important to forge a firm UN Security Council resolution in response to North Korea's October 2006 nuclear test, and to laying out the diplomatic path that eventually resulted in the February 13 denuclearization agreement shutting down the North's only known operating nuclear reactor.

The strength of the relationship pays dividends in other quiet but critical ways. Despite Chen Shuibian's efforts to push the envelope on independence in the run-up to the March 2008 Taiwan elections (including the recent application for UN membership), China has for the most part avoided a belligerent response because it remains assured that Washington harbors no goodwill towards these electoral antics and considers them a risk to the peaceful status quo in the Straits. Contrary to academic predictions of Sino-Japan rivalry, Beijing has remained conspicuously quiet in the face of Japanese Prime Minister Abe's much-publicized steps to make Japan a more "normal" military nation. At the core of China's non-response again, is confidence in US-China relations, and an understanding that the United States views any changes in Japan's security profile as being bounded by the US-Japan alliance. These significant non-events reflect a stable US-Japan-China triangle that contributes to regional stability in a way unforeseen by those who predicted postwar conflict in Asia. The US still engages in a tough dialogue with China on the arms buildup against Taiwan, the expanding defense budget, and its drive for an anti-satellite capability.

The difference today is that these hard-nosed discussions constitute one part rather than the entirety of the relationship. After seven years, a good balance has been struck between the competitive aspects of US-China relations and pragmatic cooperation on global issues. The destabilizing structural forces cited by power transition theorists in Asia never accounted for good policy choices by the US, Japan, and China.

Japan's Global Alliance

The improvements in US-China relations take place at a time when US-Japan alliance relations have reached unprecedented heights. Pundits are incorrect to characterize the closeness only in terms of the Bush-Koizumi friendship. While there was an uncanny chemistry between the two men (unhindered by language and bolstered by Elvis!), these leadership ties reflected a decision by the White House to reinvest in Japan as the key ally in Asia. One aspect of this investment has been the Pentagon's overhaul of US force posture in Japan. This base realignment -- the most significant in 30 years - includes moving the Marines (3rd MEF) in Okinawa to Guam, the transplanting of certain key but dangerously congested facilities in Okinawa, including Futenma air base, and the creation of joint training facilities in Guam. The changes will enable greater interoperability between the two militaries, will give the US a more mobile force posture in the Pacific (including a nuclear carrier at Yokosuka), and will reduce civil-military tensions with Japanese host communities, thereby ensuring long-term domestic support for the alliance.

The second aspect of the investment in the Japan alliance has been to broaden its political scope based on common values. Showcased at the Bush-Koizumi summit in June 2006 and Bush-Abe summit in April 2007, the "global alliance" concept states that American and

Japanese values of liberal democracy, free markets, rule of law, and human rights cause the two countries to share common objectives globally. This has resulted in unprecedented steps by Japan into the international arena, including the deployment of ground forces in Iraq for humanitarian operations, flying C-130 coalition supply missions, and taking on the second largest donor role in Iraqi reconstruction with an assistance package valued near \$5 billion USD. In support of Operation Enduring Freedom, Japan has deployed two naval vessels in the Indian Ocean that provide critical water and refueling services for coalition countries fighting in Afghanistan. At the Bush-Abe summit in April, Japan committed to continuing both operations as well as stepping up assistance to the FATA region in Pakistan. Japan has also participated with the United States to improve the business climate in Indonesia, to refurbish schools in Pakistan, and to supporting the EU-3 in negotiations with Iran. These constitute hugely important and unprecedented steps by Japan that need to be held out as the new norm in Japanese foreign policy.

Critics would see Japan's commitment to the US-Japan global alliance as a fig leaf for resurgent nationalism, given Abe's unapologetic views on history and his drive to remove taboos on use of the military. But as Japan grows its security profile to become more of a global player, it does so wholly within the context of the US-Japan alliance, which should be comforting to the region. Moreover, Abe's October 2006 visit to Beijing followed by Premier Wen Jiabao's wildly popular visit to Japan in April 2007 helped thaw Sino-Japan relations that had gone chilly under Koizumi. Abe's precipitous collapse from power does not undercut his foreign policy accomplishments with Beijing. It cannot be over-emphasized how the current algorithm of US-China-Japan relations is both unique and beneficial to regional stability. Historically, Asian states grow concerned whenever the United States grows too close to Japan (to contain China), or too close to China (i.e., power condominium) at the expense of smaller regional powers. The best

choice is what has attained after seven years: a cooperative US-China relationship, a strong US-Japan alliance, and good relations between Japan and China.³

“Bush Lost Korea?”

Five years ago, policy pundits and academics were openly predicting the end of the US-ROK alliance. Anti-American demonstrations in the streets of Seoul in 2002; and the election of a leftist South Korean president conveyed that the two allies have just grown too far apart. Critics further blamed President Bush’s “axis of evil” designation of North Korea as leading young South Koreans to define the United States as a greater threat to peace on the peninsula than North Korea. The verdict was that Bush would lose Korea -- an ally in the South, and the non-proliferation battle in the North.

However, the United States appears to be handing over a Korean peninsula that falls far short of these gloomy predictions. The alliance has seen more positive changes in the past five years than in any half-decade period in the alliance’s history. Washington and Seoul agreed on a major base realignment and restructuring agreement including the return of over 60 camps to the ROK; and the move of US Army headquarters (Yongsan Garrison) out of the center of Seoul. Another watershed agreement was reached on the return of wartime operational control to the ROK by 2012. As is the case in Japan, these changes maintain the US treaty commitments to defend its ally while reducing civil military tensions with the host nation. The two governments also

³The point often made about Japan’s need to handle history issues more like Germany seems ever more appropriate given Japan’s more ambitious foreign policy aspirations. The US can and has quietly advised all parties to take a more forthright view on resolving historical issues through dialogue, and has reminded all that historical issues by definition are intractable; hence sensibilities must prevail among all parties to cooperate pragmatically when needed.

inked a free trade agreement (FTA) in June 2007 that defied everyone's expectations. Although congressional support is weakening (discussed below), this stands as the largest bilateral FTA yet for the US and has sparked interest by other regional players in a FTA.

On the diplomatic front, the White House oversaw the creation of an informal but highly effective channel between the two national security councils, and the creation of a formal new Strategic Consultation for Allied Partnership (SCAP) dialogue between Secretary Rice and her counterpart. These new institutions expanded the scope of US-ROK alliance beyond the peninsula to areas of mutual global concern. Akin to the "global alliance" concept for Japan, the ROK proved to be an important coalition partner in Iraq, providing the third largest contingent of troops that performed everything from humanitarian operations to protective missions for USAID and UN offices. The ROK provides logistics support and a field hospital in Afghanistan. And in Lebanon, the ROK contributed some 350 troops for PKO operations. These alliance accomplishments are impressive when one considers the starting point. Anyone who had bet in 2002, that Roh and Bush would be working together in Iraq and Afghanistan, completing base moves, and concluding a bilateral FTA would indeed be rich today.

Testing DPRK Intentions

The next US administration will find a diplomatic process firmly in place to denuclearize North Korea. Under Secretary Rice, National Security Advisor Hadley, and negotiator Christopher Hill, the US has worked with China, South Korea, Japan, Russia and the DPRK to create a denuclearization roadmap, known as the September 2005 Joint Statement. The first implementation step was taken with the July 2007 shutdown of the Yongbyon nuclear facility from which the DPRK made plutonium for nuclear bombs, and the reintroduction of the

IAEA for the first time in five years. The six parties aim to achieve by the end of 2007 a full declaration (including HEU, plutonium, and nuclear devices) and permanent disablement of all DPRK nuclear facilities and activities, effectively taking us further in denuclearizing the DPRK than ever before. The goal by the end of 2008 would be to dismantle the existing weapons. At the same time, concerned parties would provide energy assistance, and the US and Japan would begin normalization discussions with the DPRK. At an appropriate time, concerned parties would begin a discussion on a permanent peace regime for the peninsula and the subject of a light water reactor for the DPRK.

Despite these accomplishments, widespread criticism of the policy abounds. For liberals Bush labeled the DPRK leader as “evil” and pursued a policy of “regime change” that tried to pressure the regime into obedience, but led ultimately to the October 2006 nuclear test, after which Bush reversed course. The conservatives criticize Bush for inconsistency. The administration had the right get-tough mindset for dealing with Pyongyang, but gave up its strong financial instruments and a UN security council resolution to pressure Kim Jong Il for a temporary shutdown of Yongbyon - a symbolic victory that guarantees nothing in terms of validating the DPRK’s denuclearization intentions. In short, the administration has been both unilateral and inconsistent.

These criticisms however mistake tactical shifts for strategy. In fact, three core principles have systematically guided US policy toward the DPRK over the past seven years. First, the United States remains committed to a peaceful diplomatic solution. Despite speculation that the administration was considering coercive options and/or regime change, and notwithstanding the obligatory proclamations by any responsible leader that all options, including military, must be on the table, peaceful diplomacy was always the only practical solution. At no time did any high-level White House official advocate or present in six-party capitals the option of regime change, contrary to the pundits’

views.

The second principle is that the DPRK nuclear problem must be dealt through a multilateral approach. After the breakdown of the 1994 US-DPRK nuclear agreement, the view was that a return to diplomacy must integrally involve key regional players that have material influence on the DPRK, especially China. The United States could not afford another bilateral negotiation with the DPRK in which China would free-ride on US efforts to solve the problem, but refuse to support any pressure while providing backchannel aid to Pyongyang to avoid regime collapse. China's hosting of the six-party talks has forced them to take ownership of the problem as "Chinese face" has become intertwined with preventing a nuclear North Korea. At each critical point in the crisis, US-China cooperation has been important to achieving the desired outcome. This was the case with regard to Chinese unprecedented support for two UN Security Council resolutions 1695 and 1718 in response to the DPRK's missile and nuclear tests in 2006. China has pressed the DPRK, moreover, in material ways that will never show up in trade figures but have had a real impact. Pyongyang's palpable distrust of Beijing is perhaps the most credible indicator of this new dynamic. A relationship once described "as close as lips and teeth" is no longer the case. Any future administration would be wise to maintain this cooperation.⁴

The third principle behind US policy has been to negotiate with the purpose of testing DPRK denuclearization intentions. The popular

⁴The emphasis on multilateral talks has never precluded direct contacts with the DPRK. Bilateral contacts have always been authorized as part of the six-party talks; extensive meetings with the DPRK took place during all six-party sessions as well as during intersessional periods. There is no denying that Bush's second term has seen more direct contacts, but this is hardly a policy reversal. Any understandings reached in DPRK bilaterals are always brought back to China and the six parties for formal deliberation and agreement. For critics to focus on the modalities of meetings, moreover, misses the core driver of policy outcomes which was the DPRK's unwillingness to engage and negotiate seriously. Once they did so, the five other parties remained willing to move forward.

criticism is that Washington only started to negotiate seriously after the October 2006 nuclear test. This inaccurately reflects the record of past diplomatic outreach to the DPRK. As early as October 2002 when Assistant Secretary Jim Kelly confronted the DPRK about their covert HEU acquisitions, he did so in the context of a larger proposal - a bold approach - that explained how denuclearization could bring Pyongyang an entirely new relationship with the US. In June 2004, another proposal by the US, Japan, and South Korea was put forward at six-party talks which the DPRK rejected after a 14-month delay. When the DPRK finally agreed to the September 2005 Joint Statement, the administration's singular focus has been to methodically test whether Pyongyang is serious about its commitment made for the first time to all six parties that it would verifiably and promptly "abandon all nuclear weapons and existing nuclear programs."

In this regard, the December 2006 US-DPRK meetings in Berlin, Germany remained consistent with the strategy of systematically deciphering DPRK intentions. The instructions were to negotiate a test of whether DPRK is serious or just trying to wait out the administration. The venue was different (i.e., not Beijing), but this reflected less any US concession and much more the DPRK's palpable distrust of China - a reflection of the success of the strategy. The Berlin meetings provided the basis for the Chinese to put together the February 13 Initial Actions agreement at the ensuing round of six-party talks. This agreement, even the critics acknowledge, represents a good test of DPRK intentions with clear timelines and clear actions to be taken by Pyongyang. Granted there have been delays, but the parties have achieved as of summer 2007 a shutdown of Yongbyon, and the reintroduction of IAEA monitors. The October 2007 "Second Phase" agreement should result in a disablement of the Yongbyon reactor and a nuclear declaration by the DPRK.

Demonstrating US Political Will

Conservatives in Washington were outraged in April-May 2007 when the Bush administration succumbed to DPRK's demands for the release of \$25 million in assets held at Banco Delta Asia (BDA) in Macao without which Pyongyang refused to shut down Yongbyon in accordance with the February 13 agreement.⁵ The United States agreed to facilitate the transfer of the money out of BDA through the US Federal Reserve to a North Korean Foreign Trade Bank account in Russia. All attributed this flexibility to a weak administration, distracted by Iraq, and desperate for a foreign policy victory.

These steps, though controversial, remained consistent with a strategy of systematically testing DPRK intentions. One way to test the other side is to exhibit political will. Some may argue that US backtracking on the BDA issue followed by Hill's visit to Pyongyang shows American weakness. But what Asia has always asked of the United States is to show true political will to deal with the country. Despite missed deadlines by the DPRK, the US has exhibited unusual political will and patience informed by a longer-term view to move beyond an IAEA-monitored temporary shutdown of Yongbyon to a permanent disablement of the facility by the end of the year, which would take us farther than any previous administration has gotten in shutting down plutonium production permanently. However little DPRK plutonium can be produced at Yongbyon still has a half-life of over 100,000 years; it is in no one's interest for the DPRK to make any more fissile material. The same actions that an ideological few at home have seen as weakness are widely interpreted in Asia as US leadership.

How far will the US go to "test" the DPRK? As is often the case in the policy world, this is a judgment call made by the President and

⁵The funds were frozen by the Macao monetary authority in response to legitimate actions by the Treasury Department to protect US financial institutions against DPRK money-laundering activities at the bank.

his national security team as events evolve. The administration may engage in normalization talks with the DPRK or four-party discussions on a peace treaty ending the Korean War, but will never conclude either of these discussions without the final phase of nuclear dismantlement. This is because no US administration, Republican or Democrat, will normalize relations or conclude a peace treaty with a North Korean nuclear weapons state. Conservatives should have no gripe with that. The Roh government's inter-Korean summit agreement of October 2007 features the idea of a leaders' meeting to end the Korean War. The concept of ending the war is something the Bush administration believes in, but as the President stated at the 2007 Sydney APEC meeting, the likelihood of this happening without full denuclearization by the DPRK is small. As we enter the "final phase" of the negotiation in 2008, it will be critical for the new ROK administration to ensure that the \$11 billion in economic projects promised by the Roh government to the North is carefully coordinated with progress in six-party talks. If inter-Korean cooperation is meted out in this fashion, then the parties will have a very powerful bargaining chip to end the North's nuclear weapons programs.

In sum, the Bush administration has not suddenly become wide-eyed optimists on North Korea. Instead, it pursues a systematic diplomatic strategy designed to test the DPRK. If Pyongyang proves to be serious, then the six-party partners will press the negotiation harder, moving to the final phase of nuclear dismantlement in 2008. However, if Pyongyang does not implement the February 13 agreement, then it will be clear to all where the blame sits for the breakdown of the agreement, and all five parties must be prepared for tougher measures.

The New Regional Architecture of Asia

Academics have long argued that the United States lacks serious

thinking on a future regional architecture. Over the past several years, however, a US vision for a new architecture has begun to emerge and take root. It has none of the fanfare of organizations like the EAS, which are shiny, new regionwide structures in search of a purpose. The US-sponsored vision is quiet, incremental, and less formal but very real. The emerging new architecture is a patchwork constituted of deep engagement with Southeast Asia, a regional security system in Northeast Asia, and a network of interconnecting US bilateral, trilateral, and multi-lateral institutions that deal with extant security problems. Moreover, it is a vision that includes China, and seeks to operate in spite of residual historical animosities.

The American view on membership in regional organizations in Asia has always been one based on results rather than rhetoric. In this regard, APEC remains the premier regionwide institution in the Asia Pacific devoted to trade liberalization, sustainable development, environment, and security, which is why the US has recently significantly increased its financial commitment to the organization. Washington's reticence in joining EAS stems not from disinterest, but because the organization has not yet demonstrated how it is differentiated from, or adds value to, existing regional groupings. US interest in the EAS may grow as its role becomes clearer and is not duplicative of APEC, but in the meantime, the US can still work through proxies like Australia, New Zealand, and Japan.

Rather than EAS, Washington has bolstered its regionwide engagement with ASEAN. The pundit criticism that US focus on counter-terrorism has alienated the United States in Southeast Asia is about three years out of date. US policy immediately after September 11 did indeed focus on counter-terrorism and succeeded in disrupting planned terrorist attacks and the operations of Jemaah Islamiya, the Abu Sayaf Group, and other Al Qaeda-related organizations in Southeast Asia, saving an untold number of American, Indonesian, and Filipino lives. But any serious analyst will notice that more recently the United States

has avoided the one-note counter-terrorist label and has presented a strong record of ASEAN engagement. President Bush inaugurated on the sidelines of APEC an annual meeting of attending ASEAN leaders, and established the US-ASEAN Enhanced Partnership as a multilateral framework for partnership on issues ranging from counter-narcotics to good governance. To expand trade, the US has created a network of bilateral Trade and Investment Framework Agreements (TIFAs) and FTAs with Singapore and other ASEAN nations known as the Enterprise for ASEAN Initiative. The US led a multilateral effort to contain Avian Influenza (including in Burma), and to cope with HIV/AIDS in Vietnam. It signed a Strategic Framework Agreement on security cooperation with Singapore in 2004, and utterly transformed ties with Indonesia after the 2004 tsunami with the restart of comprehensive military-to-military ties and a \$156 million Education Initiative. US-Vietnam relations have been bolstered by President Bush's visit to Hanoi in November 2006, and the recent visit of President Triet to Washington. Thailand and the Philippines under Bush were both declared major non-NATO allies. The Pentagon continues to provide top-quality military training including Cobra Gold which is the premier multilateral exercise in Asia. Power transition theorists might argue that these US efforts clash with that of the Chinese in Southeast Asia. Absolutely not. Washington welcomes China to step up and play a role as a real problem-solver. The decision by Bush to forgo a 30th anniversary US-ASEAN summit in Singapore en route to the September 2007 APEC in Sydney is unfortunate, but serious ASEANs would still agree that no administration in recent history has done more to engage with them.

Networks and Patchworks—Multilateralism...in 2's, 3's, 4's and 5's

Skeptics complain that the US fixation on its bilateral alliance structure is “prehistoric” and stands at odds with efforts to build Asian

multilateralism. But as noted above, when the 2004 tsunami put hundreds of thousands of lives at risk, the only “institution” that worked was a multilateral response and relief effort fashioned out of US key bilateral allies Japan, Australia, and India. Not bad for a dinosaur.

The US alliance network is a necessary part of the future regional architecture. But the United States has been experimenting quietly with a “networking” of the alliance structure. This entails a branching out of partnerships among and between existing bilateral alliances in Asia in order to pool resources to address various extant problems. For example, the US-Japan alliance and US-Australia alliance have both undergone revisions in their own right to help prepare the alliance for the future (FTA and missile defense in Australia), but the new innovation has been Canberra’s promotion of a US-Japan-Australia trilateral strategic dialogue (TSD) in 2005 to address issues like missile defense; counter-proliferation; maritime piracy; climate and environment; disaster relief; and UN reform. Japan and Australia also signed their first-ever bilateral security declaration. In a similar vein, former Prime Minister Abe personally took to Singh, Howard, and Bush his idea of a “quadrilateral” grouping of the US, Japan, India, and Australia focused on regional disaster preparation and relief based on the experience of the tsunami core group. There have also been discussions on the formation of a partnership of Asian democracies involving the Quad countries plus South Korea and Indonesia. The largest and most well-established of these networks is the six-party talks, chaired by China. This is the first multilateral security forum in Northeast Asia, and the hope of the US, China, Russia, and the others is that it could become the basis of a broader regional security regime. One component of this regime would be a four-party forum to discuss an end to the Korean War. The other would be to transform the six-party talks into a Northeast Asian Peace and Security Regime - the first of its kind in the region.

Academics predicting regional rivalry in Asia after the Cold War never anticipated the adaptability and centrality of US alliances to a new

regional architecture. What will work in Asia is not a shiny new structure like EAS, but a combination of deep US engagement with ASEAN, the continued importance of APEC, and an evolving regionalization or networking of the US alliance architecture in Asia. Increasingly, the latter will not be defined only in pairings of two (i.e., bilateral). The new regional architecture in Asia will see a patchwork of bilaterals, trilaterals, quadrilaterals, five-party, and six-party networks that will overlap and interconnect as they deal with different issues. China, moreover, is an integral part of these overlapping structures. Regional architectures in Asia are not a zero-sum game in which US involvement means China's exclusion or vice versa. Critics erroneously point to ASEAN Plus-Three (i.e., Japan, ROK, and China) as showing that the US is losing out in Asia and is against such structures. On the contrary, the US welcomes groupings like the Plus-Three as part of the region's patchwork that promote better relations among the key Northeast Asian powers despite historical animosities.

Election 2008 and Asia Policy

In a quiet and unassuming way, seven years of the Bush administration has left Asia in fairly good shape. Relations with China and Japan are strong. There is a multilateral process in place to denuclearize North Korea. Engagement with ASEAN countries has been deep. The United States is still viewed as the region's key provider of the public good. Academics who wrote about Asia as a "cauldron of conflict" after the Cold War predicted the complete obverse of this outcome. Bush-bashers will never give the administration credit, nor even acknowledge that there was a conscious strategy in place. But few would be willing to trade the current situation in Asia for any other period in recent history.

The policy trap is that just as things are pretty good, they can get

quite bad. Presidential primary season in the US threatens to undo the delicate balances that have been struck as the candidates' view of Asia gravitates to two extremes. On the Republican side the focus will turn to China's attempt to displace the US in Asia, and its threat to Taiwan. Discussions of stakeholder cooperation with Beijing will be overtaken by discussions of China's defense budget, missile buildup, growing submarine fleet, and anti-satellite capabilities all designed to deny the US military's ability to flow forces to the region.

At the other extreme will be the view of Asia in terms of trade protectionism. The focus, in particular, will be on China's \$233 billion trade surplus with the United States, its \$1 trillion-plus in foreign exchange reserves, its undervalued currency, the safety of its exports, and the perceived threat to American jobs. This has already become apparent since the November congressional elections with legislation that attempts to designate China as a currency manipulator and slap a uniform tariff on all Chinese goods. Moreover, this protectionist view of Asia will not spare US allies. Earlier versions of the China currency legislation also lumped Japan in; and at least two Democratic presidential candidates have already come out opposed to the FTA with South Korea.

This electoral posturing could have real unintended consequences in Asia. The polarized debate in the US could be viewed as the new reality in Asia. Couple this with Beijing's assessment that the current administration is a lame duck, then Beijing may feel the need to lay down some markers with the future US leadership. It may, for example, abandon its restrained position on Taiwan and react as it had done in the past. In a new environment of disintegrating US-China relations, it may feel the need to oppose more openly Abe's attempts at growing Japan's military. Debates on Asia need to move back to a pragmatic political center after the primaries and hopefully before any lasting damage is done.

Keeping Asia on an Even Keel

By every demographic metric, Asia will be the fastest growing and most dynamic region of the world for generations to come. America is and will remain a Pacific nation drawn by trade, values, and history to be a part of the region's bright future. It will be incumbent on a new administration, Democrat or Republican, to keep Asia on an even keel by building on the accomplishments of the past seven years:

Assert that America is an Asia Pacific power - The guiding principle of a future administration's Asia policy should be that Asian and American interests are best advanced by investing in our bilateral alliances based on common values; pursuing free and fair trade with the region; and enlisting regional partners for multilateral solutions to difficult security problems.

Encourage Chinese stakeholding, Japanese global relevance - US interests and Asian stability will be best served in the future by maintaining the balance between a pragmatic, working relationship with China and deepening alliance cooperation with Japan. With China, it will be critical to forge a broad-based relationship in which the US can have a tough dialogue on military issues but at the same time push China to contribute to resolving global issues like counter-proliferation, climate and energy. The United States should continue to encourage Japan to step up its international involvement as it has done in Afghanistan and Iraq. A future administration might also quietly press for more deregulation and economic reform in Japan, which has helped spur Japan's economic recovery.

Press for free and fair trade - A future administration will need to support current FTAs in Asia as well as seek a renewal of trade promotion authority to negotiate new ones. A key component of US leadership in

Asia is our support of free trade. The Bush administration at APEC in Hanoi in 2006 announced US interest in a free trade area for the Asia Pacific. It has also negotiated FTAs with Singapore, Australia, and most recently South Korea that have raised US exports to Asia in everything from dog food to airplanes. Congress is opposing the Korea FTA and presidential candidates are playing to campaign crowds. The fact is that breaking down trade barriers in Asia (particularly in service sectors which accounts for some 80 percent of US GDP versus manufacturing at 14 percent) creates new high-skill jobs and helps the US economy. Without these FTAs, the US will operate at a comparative disadvantage as the EU and China negotiate their own agreements in Asia. It's also a fact that Congress supported the Korea FTA, then asked for revisions (which US negotiators achieved), and then changed their mind. A more responsible position is needed than what is coming out of Congress and some of the presidential candidates on trade.

Build a Northeast Asia security institution - A future administration should carry through with aspirations to turn the six-party forum into an embryonic Northeast Asia Peace and Security regime. The first critical step in this regard is the creation of a Northeast Asian Security Charter - a statement of core security principles, norms, and understandings about the promotion of peace and prosperity. A historic accomplishment, these principles could include, for example, mutual respect for sovereignty; support for a non-nuclear Asia (outside current Perm Five states); and a commitment to strive for pragmatic cooperation despite historical animosities.

Encourage trilaterals, quadrilaterals and other multilateral groupings to grow out of the existing bilateral alliance structure - A future administration can contribute to the new architecture of Asia by viewing positive sum links between US bilateral alliances and regional multilateralism. The key for these groupings is that they must serve

some extant purpose whether this be tension-reduction or confidence-building. Three in particular that might prove useful are US-Japan-South Korea discussions OPCON transition, base realignments, and a Seoul-Tokyo security declaration; US-Japan-China to discuss Abe's national security agenda and China's military budget; and US-China-South Korea to discuss the future of the Korean peninsula.

Give face to Southeast Asia - A future administration needs to allot the appropriate time to meet with Southeast Asian leaders where a small investment in summitry pays enormous dividends. In the crunch of scheduling an already over-scheduled President and Secretary of State, events like this can drop off. Yet as both Clinton and Bush showed in their trips, the payoff is huge in terms of goodwill and support for the American agenda from this collection of states that play at the core of the region's multilateral initiatives.

Inject values in Asian institutions - The United States should not be bashful about discussing common values in Asia, and promoting an Asia Pacific partnership of democracies (with China as an observer). Such a discussion in the past had been seen as self-alienating. Today, however, some of the world's most successful democratic transitions have taken place in Asia, including South Korea and Indonesia. Even China acknowledges the relevance of these ideas to its own rise in the world. The United States should encourage the view that this trend is inexorable and will eventually touch all of Asia.