

*Obama's Asia Policy: A Look Back at the  
Presidential Race to Understand  
America's Next Steps in Asia\**

*Dennis Shorts & Vincent Min*

**Abstract**

This paper assesses the probable Asia policies of the incoming Barack Obama administration. It analyzes the President-elect's announced policies, public statements, and his close Asia advisors' writings in order to extrapolate what Asia policies he may implement as President of the United States. This paper examines Obama's Asia policy in terms of five subject areas: a general approach to East Asia, the North Korean problem, South Korea, free trade, and China. In order to better understand the context of Obama's Asia policy, this paper compares the President-elect's likely posture on Asian affairs with the objectives of his former rival for the presidency: John McCain. This comparative analysis shows that Obama's foreign policy in East Asia will tend to be realist and pragmatic in nature, advocate more direct diplomacy with North Korea, and be wary of free trade promotion. In contrast, McCain would have been more ally-centric in executing his foreign policy in Asia, more hawkish on North Korea, and ardently support free trade in the region. On China and South Korea, Obama and McCain have similar policy approaches.

**Key Words:** Barack Obama, Asia policy, China, North Korea, South Korea

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\* The views expressed in this paper are those of the authors and do not reflect the official policy or position of Booz Allen Hamilton or the U.S. government.

## **Introduction**

The American people have chosen Barack Obama to be the next the President of the United States. The Obama administration has a daunting task ahead of it as the public remains anxious about the continuing financial crisis, instability in the Middle East, taxes, and health care. While such issues dominate the airwaves, there has been very little media coverage on Obama's policies toward Asia. However, the next President of the United States will face major policy challenges in the region: a rising China, a nuclear North Korea, alliance turbulence with South Korea, the future role of Japan, and free trade issues. This paper analyzes the President-elect's announced policies, public statements, and his close Asia advisors' writings in order to extrapolate what Asia policies he may implement as President of the United States. Obama's likely Asia policy is examined in terms of five subject areas: a general approach to East Asia, the North Korean problem, South Korea, free trade, and China. In order to better understand the context of Obama's Asia policy, this paper compares the President-elect's likely posture on Asian affairs with the objectives of his former rival for the presidency. This comparison is not meant as a simple "alternative future" exercise. Instead, this format is used to help differentiate and highlight the features of Obama's Asia policy by establishing a baseline of analysis.

This comparative analysis shows that Obama's foreign policy in East Asia will tend to be realist and pragmatic in nature, advocate more direct diplomacy with North Korea, and be wary of free trade promotion. In contrast, McCain would have been more ally-centric in executing his foreign policy in Asia, more hawkish on North Korea, and more ardently support free trade in the region. On China and South Korea, Obama and McCain seem to have surprisingly similar policy approaches.

## General Approach

A distinguishing feature of Barack Obama's Asia policy may be its nuanced and pragmatic approach. In many ways, "Obama seems — unusually for a modern day Democrat — highly respectful of the realist tradition."<sup>1</sup> While there were reportedly conflicts among McCain's foreign policy staff on the topic of a League of Democracies, there is little argument that the language of the Republicans has shifted in recent years to a more moralistic orientation: "Ironically, the Republicans now seem to be the foreign-policy idealists."<sup>2</sup> Obama might still enlist idealist tones in his speeches, but it is a tone more balanced. This might be the fundamental difference between the two candidates when put side-by-side: a realist-leaning Democrat focused more on calculations involving America's core national security interests and an idealistic Republican who seems to put more stock into a value-based approach premised on a coalition of liberal democracies against global dangers.

Obama sees a need to take a more active role in Asia "to build on our strong bilateral relations and informal arrangements like the six-party talks."<sup>3</sup> One of the President-elect's senior foreign policy advisors, Anthony Lake, has reiterated Japan's central role for U.S. security interests in the region. However, this sentiment is tempered by calls for Japan to "move cautiously in revising Article 9 of its postwar constitution and to do so only in tandem with a new multilateral framework through which it can consult and reassure South Korea and China."<sup>4</sup> This statement

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<sup>1</sup>-Fareed Zakaria, "Obama, Foreign Policy Realist," *Post Global*. Accessed at [http://newsweek.washingtonpost.com/postglobal/fareed\\_zakaria/2008/07/obama\\_foreign\\_policy\\_realist.html](http://newsweek.washingtonpost.com/postglobal/fareed_zakaria/2008/07/obama_foreign_policy_realist.html).

<sup>2</sup>- *Ibid.*

<sup>3</sup>- *Ibid.*

<sup>4</sup>- G. John Ikenberry and Anne-Marie Slaughter (Anthony Lake Co-Chair), "Forging A World of Liberty Under Law: U.S. National Security in the 21<sup>st</sup> Century," *Final Report of the Princeton Project on National Security*, p. 50.

underscores Obama's nuanced approach to the region: cautious and incremental with a focus on stability.

In contrast, McCain had a strong values-based approach in which allies played a central role. John McCain wrote in *Foreign Affairs* that the key to managing challenges in Asia is an increase in cooperation with U.S. allies.<sup>5</sup> Japan would have been the centerpiece of this strategy. *The Daily Yomiuri* reports, "[McCain] will consider Japan to be a vital ally if he takes office."<sup>6</sup> *The Straits Times* quotes a McCain campaign expert who said, "He does see China as a competitor in Asia-Pacific and would want traditional ally Japan at the center of his Asia policy."<sup>7</sup> McCain's Asia advisors confirm this approach.<sup>8</sup> McCain's prominent Asia advisor, Richard Armitage, former Deputy Secretary of State during George W. Bush's first term, wrote in a think tank publication: "The [U.S.-Japan] alliance can and should remain at the core the United States' Asia strategy."<sup>9</sup> Randall Schriver, another Asia advisor for McCain, also revealed a firm Japan-centric approach to Asia. "Japan is our most important relationship in Asia and this should be demonstrated in word and deed," he said.<sup>10</sup> Hence, Japan would have

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5- John McCain, "An Enduring Peace Built on Freedom: Securing America's Future," *Foreign Affairs*, November/December 2007.

6- "Japan to remain axis of U.S. policy on Asia," *The Daily Yomiuri*, June 21, 2008.

7- "The Gurus: With foreign policy seen as key campaign issue, Barack Obama and John McCain are seeking expert advice here," *The Straits Times*, August 23, 2008.

8- According to several sources, McCain's Asia advisors include Richard Armitage, former Deputy Secretary of State, Randall Schriver, Chief of Staff and Senior Policy Advisor to Deputy Secretary of State Richard Armitage, and Michael Green, former Senior Director for Asian affairs at the National Security Council (NSC). "The Gurus: With foreign policy seen as key campaign issue, Barack Obama and John McCain are seeking expert advice here," *The Straits Times*, August 23, 2008, <http://www.washingtonpost.com/wp-srv/opinions/documents/the-war-over-the-wonks.html>; <http://www.thomascrampton.com/china/obama-mccain-advisors-for-china-and-asia-know-them/>; <http://www.connectusfund.org/mccain>.

9- Richard L. Armitage and Joseph S. Nye, "The U.S.-Japan Alliance: Getting Asia Right through 2020," *The Center for Strategic and International Studies (CSIS)*, February 2007, p. 15.

10- Joint interview with Randall G. Schriver and Michael Schiffer, Senior Advisors to U.S. Presidential Candidates, Sen. John McCain (R, AZ) and Sen. Barack Obama (D, IL),

played a vital role for McCain's approach to Asia.

While Japan would have been the linchpin in McCain's Asia strategy, the "ally-first" approach would have included other U.S. allies in Asia. McCain called for strengthened partnerships with Australia, South Korea, India, and Indonesia.<sup>11</sup> He also sought to institutionalize a "quadrilateral security partnership" among Asia-Pacific democracies that consists of Australia, India, Japan, and the United States.<sup>12</sup> In response to an interview question on how the United States would engage in the Asian region, Schriver said, "Senator McCain has often noted that our policies should be informed first and foremost through our alliances."<sup>13</sup> This indicates a general approach that would place a premium on allies as a way to face challenges in the region. This is in contrast to the Clinton administration's approach, which favored direct bilateral engagement with the country concerned. The 1997-1998 U.S. Presidential summit meetings with China and the 1994 Agreed Framework negotiations with North Korea are both examples that reflect this direct bilateral approach.

Despite McCain's evident preference for ally consultation, a key question was how McCain's proposal for a worldwide League of Democracies would affect his Asia policy. McCain described the League of Democracies as an organization of "like-minded nations working together for peace and liberty."<sup>14</sup> According to McCain, this group would act when the United Nations falters on issues such as the crisis in Darfur, HIV/AIDS in Africa, and "tyrants" in Burma.<sup>15</sup> Robert Kagan, McCain's foreign policy advisor who originated this idea, argues that this would be a way for democracies to "stick together" in a "world increasingly divided along democratic and autocratic

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*East-West Center/USAPC Washington Report*, September 2008.

<sup>11</sup>- McCain, "An Enduring Peace Built on Freedom: Securing America's Future."

<sup>12</sup>- *Ibid.*

<sup>13</sup>- Joint interview, *East-West Center/USAPC Washington Report*.

<sup>14</sup>- McCain, "An Enduring Peace Built on Freedom: Securing America's Future."

<sup>15</sup>- *Ibid.*

lines.”<sup>16</sup> In practice, this would formally pit U.S. allies such as Japan and South Korea against a non-democratic China.

In sum, a comparison of Obama and McCain's approach toward Asia may be about how much each administration would weigh policy means and policy ends. For McCain, policy means are just as important, if not more important, than policy ends — this explains why an “ally-first” approach was crucial for McCain. Obama does not appear as bound by policy means as McCain. This explains why Obama does not pronounce a strong ally-first approach or endorse the creation of the League of Democracies even though he favors consultation with allies and an advancement of democracies.

## North Korea

Nowhere is Obama's embrace of flexible policy means more pronounced than in his willingness to seek direct diplomacy with North Korea in order to achieve denuclearization. During the Democratic Primary last July, Obama boldly stated that he would meet with the leader of North Korea — as well as leaders of other “rogue nations” — within the first year of his presidency. Afterwards, he and his foreign policy advisers sought to clarify this statement to defend against critics who saw signs of a dangerous naïveté. However, the crux of the statement indicates a commitment to direct engagement on foreign policy issues: “I reserve the right as president of the United States to meet with anybody at a time and place of my choosing if I think it's going to keep America safe.”<sup>17</sup> This is a real departure from McCain's diplomatic policy that falls more in line with the orientation in Bush's first term where multilateral engagement was the only policy

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<sup>16</sup>- Robert Kagan, *The Return of History and The End of Dreams* (New York: Alfred A. Knopf, 2008), p. 98.

<sup>17</sup>- Kathy Kiehly and David Jackson, “Rivals Diverge on Economy, War,” *USA Today*, September 27, 2008. Accessed at [http://www.usatoday.com/news/politics/election2008/2008-09-26-debate\\_N.htm](http://www.usatoday.com/news/politics/election2008/2008-09-26-debate_N.htm).

(and direct dialogue shunned). Obama, although not taking military options off the table for North Korea, has stated that “our first measure must be sustained, direct, and aggressive diplomacy—the kind that the Bush administration has been unable and unwilling to use.”<sup>18</sup> This sentiment is emphasized by Senator Obama’s key foreign policy advisor, Michael Schiffer:

[T]he bottom line is that President Bush’s approach—an approach advocated by Senator McCain in 2000 and 2003... made the United States and our friends and allies less safe and secure. Only after the president changed course and authorized direct dialogue in December 2006 did the North shut down its reactor...<sup>19</sup>

It is clear that Obama and his team value direct engagement on tough foreign policy issues such as North Korea. His pick of Frank Jannuzzi as the administration’s policy chief for Korean affairs drives home this point. Jannuzzi has criticized the former Republican contender for his opposition to direct talks saying, “he [McCain] doesn’t apparently understand the way the decision making works inside North Korea. You need to get to the top.”<sup>20</sup>

While the McCain team sees value in addressing the gamut of North Korean sins outside of nuclear weapons development, the Obama team is likely to take the pragmatic approach that seeks to address the nuclear program first and then move toward other issues later. This methodology seems to track along the framework as laid out by former Defense Secretary William Perry—who also advises Obama—during his comprehensive North Korea policy review (the so-called “Perry Process”). In reference to

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<sup>18</sup>– Barack Obama, “Renewing American Leadership,” *Foreign Affairs*, July/August 2007.

<sup>19</sup>– Joint interview, *East-West Center/USAPC Washington Report*.

<sup>20</sup>– “U.S. presidential advisors debate Asian foreign policy,” *Radio Australia*, Australian Broadcasting Corporation, September 25, 2008. Accessed at <http://www.radioaustralia.net.au/programguide/stories/200809/s2374693.htm>.

broadening North Korea policy to include a variety of other issues to be addressed simultaneously, Secretary Perry's report states that this type of push for reform would cause North Korea to "[view it as indistinguishable from a policy of undermining. A policy of reforming... would also take time — more time than it would take the DPRK to proceed with its nuclear weapons and ballistic missile programs."<sup>21</sup> Furthermore, a key finding in the Perry Report states:

If stability can be preserved through the cooperative ending of the DPRK nuclear weapons- and long-range missile-related activities, *the U.S. should be prepared to establish more normal diplomatic relations with the DPRK and join in the ROK's policy of engagement and peaceful coexistence.* (emphasis added)<sup>22</sup>

Given the Bush administration's recent actions — namely, the delisting of North Korea from the State Sponsors of Terrorism List — this statement might be coming to fruition (albeit, in a small but significant way).

Some diplomatic and security experts even point out that recent efforts by the Bush administration seem to mirror Obama's foreign policy principles. "On a range of major foreign policy issues over the past year, Bush has pursued strategies and actions very much along the lines of what Sen. Obama has advocated," reported *The Washington Post*.<sup>23</sup> This might be especially true in terms of recent negotiations with North Korea. There is little doubt that Christopher Hill, in comparison with his predecessors, has been given much more leeway in terms of his direct contacts with his North Korean interlocutors. And, while many might point to a variety of factors

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<sup>21</sup> - "Review of the United States Policy Toward North Korea: Findings and Recommendations," *Unclassified Report by Dr. William J. Perry, U.S. North Korea Policy Coordinator and Special Advisor to the President and Secretary of State*, Washington, DC, October 12, 1999.

<sup>22</sup> - *Ibid.*

<sup>23</sup> - Dan Eggen, "Bush's Overseas Policies Begin Resembling Obama's," *The Washington Post*, September 15, 2008, p. 2.

that have put Pyongyang's disablement back on track,<sup>24</sup> Assistant Secretary Hill's ability to engage in direct talks that are less encumbered by strict protocols that bar direct contact has surely contributed to recent positive steps. As his infamous debate statement conveys, Obama is much more likely to see value in enabling this type of direct engagement with North Korea when necessary.

In contrast, McCain would have most likely continued Bush's first-term policy of seeking North Korean denuclearization using only multilateral forums. When U.S. intelligence provided evidence that North Korea proliferated to Syria, McCain's April 2008 press statement still called for "meaningful multilateral pressure."<sup>25</sup> This is in marked contrast to the Bush administration's response in 2002 when North Korea revealed to James Kelly, then-Assistant Secretary of State for East Asian and Pacific affairs, the existence of a covert Highly Enriched Uranium (HEU) program. This discovery led to an immediate breakdown in talks. McCain's press statement, in contrast, states that the Syrian nuclear program's connection with North Korea is "very troubling, but not surprising" and refers to North Korea's lack of compliance with the six-party agreement in February 2007 (to disclose the full details of its nuclear program).<sup>26</sup> There was no call to end the six-party talks or to cease multilateral engagement.

Although McCain would have adhered to a multilateral engagement policy, there is every indication that he would have been tougher at the negotiation table. McCain writes in *Foreign Affairs* that verifiable denuclearization and a full accounting of all nuclear material and facilities are two necessary steps before "any lasting diplomatic agreement."<sup>27</sup> With this in mind, it is difficult to imagine that a McCain administration would

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<sup>24</sup> - As of October 14, 2008.

<sup>25</sup> - Statement by John McCain on Syria and North Korea, April 25, 2008. Accessed at [www.johnmccain.com](http://www.johnmccain.com).

<sup>26</sup> - *Ibid.*

<sup>27</sup> - McCain, "An Enduring Peace Built on Freedom: Securing America's Future."

have made efforts to remove North Korea from the State Sponsors of Terrorism list as Bush has done (because North Korea has still not accounted for its alleged HEU program). According to David Straub, former Director of the Office of Korean Affairs at the U.S. State Department, McCain is dissatisfied with Bush's approach and would "seek to restore a tougher policy platform."<sup>28</sup> According to Schriver, McCain would not only have returned to the "core principles of denuclearization," McCain would have broadened the North Korea policy goals to include human rights, illicit activities, economic and political reform, and proliferation and reduction of the conventional military threat.<sup>29</sup> This expansion of policy aims goes much further than the current Bush administration's North Korea objectives and would mandate tougher negotiation demands.

Although this comparison demonstrates that Obama would feel free to employ a direct approach to denuclearize North Korea in contrast to McCain's hawkish multilateral-only posture, key uncertainties remain. For instance, how would an Obama administration respond to either North Korean provocations or a regime collapse? If North Korea fires long-range missiles, conducts additional nuclear tests, or is caught proliferating nuclear material/technology, how will an Obama administration respond? Would the United States use military force? This is difficult to predict: while the Bush administration has been accused of a militant foreign policy, it was the Clinton administration that was close to ordering a military strike on the Yongbyon nuclear facility in 1994.<sup>30</sup> Another scenario would entail a North Korean collapse – which has increased relevance given recent reports of Kim Jong-il's stroke.

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<sup>28</sup> - "McCain Tougher Than Bush on N. Korea," *Korea Times*, August 31, 2008.

<sup>29</sup> - Joint interview, *East-West Center/USAPC Washington Report*.

<sup>30</sup> - Joel S. Wit, Daniel B. Poneman, and Robert L. Gallucci, *Going Critical: The First North Korea Nuclear Crisis* (Washington, DC: Brookings Institution Press, 2004), pp. 210, 211, 220.

## South Korea

With regard to Seoul, Obama and his foreign policy advisors signal no major policy differences with their Republican counterparts.<sup>31</sup> Obama acknowledges the strategic importance of this longstanding Asian ally. In all likelihood, the schedule for transfer of wartime operational control back to South Korea would remain on track under the Obama administration. President Obama would see the bolstering of indigenous military capabilities in South Korea as a positive development. With U.S. forces stretched by ongoing operations in Iraq and Afghanistan, an added benefit of this transfer would be the reduction of U.S. military forces (mostly ground units) on the peninsula. There will be those South Koreans who see this reduction as an abandonment of sorts; a diminishment of the U.S.-South Korean alliance. However, this sentiment will be allayed by a variety of factors to include movement toward final congressional approval for the upgrading of Seoul's Foreign Military Sales (FMS) status.<sup>32</sup> Moreover, the changing nature of U.S. deployments in South Korea also sends a signal: "Perhaps the most telling indicator of a continuing U.S. commitment, American military people will be allowed to bring their families with them for three-year tours of duty..."<sup>33</sup> This so-called "tour normalization" will keep American service members and their families in longer, more stable assignments in South Korea.

The Obama administration may also bring an increased sensitivity for inter-Korean affairs to its Asian foreign policy. It is no insignificant thing that Obama, after five years of real alliance challenges under the presidency of Roh Moo-hyun, would state that "In Asia, we have belittled

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<sup>31</sup> - Free trade, however, is a notable exception (to be discussed in a later section).

<sup>32</sup> - Jon Grevatt, "House of Representatives Approves Legislation to Raise South Korea's FMS Status," *Jane's Defence Industry*, September 24, 2008.

<sup>33</sup> - Richard Halloran, "Changing Mission for U.S. Forces in South Korea," *Real Clear Politics*, May 11, 2008. Accessed at [http://www.realclearpolitics.com/articles/2008/05/changing\\_mission\\_for\\_us\\_forces.html](http://www.realclearpolitics.com/articles/2008/05/changing_mission_for_us_forces.html).

South Korean efforts to improve relations with the North.”<sup>34</sup> The North Korean threat perception gap between the U.S. and South Korea in recent years was, at times, stark. Moreover, a whole host of issues had caused tension between Seoul and Washington in the last eight years: President Bush’s “axis of evil” designation for Pyongyang, a U.S. convoy accident in 2002 that led to the deaths of two middle schoolgirls, the decision to invade Iraq, and most recently, the import of U.S. beef. Alliance turbulence is nothing new, but handling the often competing demands of supporting efforts to foment inter-Korean peace while deterring North Korean aggression will be a true test of Obama’s (and his advisors’) foreign policy skills.

A look back into McCain and his advisors’ statements show that McCain would have also sought to strengthen the ROK-U.S. alliance. In line with McCain’s “ally-first” approach, the Arizona Senator would have sought to improve relations with South Korea. He wrote in *Foreign Affairs*, “I will seek to rebuild our frayed partnership with South Korea by emphasizing economic and security cooperation.”<sup>35</sup> Michael Green, former Bush official and McCain’s Asia advisor, also argued that the next administration needs to pay particular attention to ROK-U.S. alliance given its strategic importance to the region.<sup>36</sup> According to *The Korea Times*, McCain emphasized the alliance as a “crucial element” for U.S. diplomacy in Asia and beyond.<sup>37</sup>

McCain’s advisors suggest that the policy to strengthen the ROK-U.S. alliance would mean an increasing South Korean role in the bilateral, regional, and global environment. According to Armitage, “South Korea will play a leading role and the United States a supporting role in the alliance of the future.”<sup>38</sup> He states that the force structure and command arrangement

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<sup>34</sup> - Barack Obama, “Renewing American Leadership,” *Foreign Affairs*, July/August 2007.

<sup>35</sup> - McCain, “An Enduring Peace Built on Freedom: Securing America’s Future.”

<sup>36</sup> - Green, “Constructing a Successful China Strategy: Promote Balance and Democratic Ideals in Asia,” p. 8.

<sup>37</sup> - “Obama, McCain Differ on Korea Policy,” *Korea Times*, June 4, 2008.

<sup>38</sup> - Armitage and Nye, “The U.S.-Japan Alliance: Getting Asia Right through 2020,” p. 8.

in Korea will reflect this role reversal. Mr. Schriver goes even further to argue South Korea's potential as a global ally. "Senator McCain believes our alliance with South Korea can modernize and evolve into a truly global alliance with a global orientation."<sup>39</sup>

This comparison reveals that an effort to improve U.S.-South Korean ties would have been underway regardless of the individual winning the presidency — this is one issue area where there were no significant differences in fundamental policies between Obama and McCain. Nevertheless, there are two key dynamics that will affect Obama's Korea policy: one positive and one negative. Since Obama is not from the incumbent party, he has the advantage of a fresh start, where McCain — deservedly or not — may have inherited some Korean resentment toward President Bush's policies. However, the negative dynamic involves Obama's stated opposition to the Free Trade Agreement (FTA) with South Korea, a pact that the current South Korean President Lee Myung-bak has strongly advocated.

## Free Trade

Although Barack Obama has repeatedly criticized unfettered free trade, it is not entirely certain that he will be as anti-free trade as some critics claim. Last spring, Obama sent a letter to President Bush on the topic of the South Korean FTA:

Like many members of Congress, I oppose the U.S.-Korea FTA, which I believe is badly flawed. In particular, the terms of the agreement fall well short of assuring effective, enforceable market access for American exports of manufactured goods and many agricultural products.<sup>40</sup>

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<sup>39</sup>– Joint interview, *East-West Center/USAPC Washington Report*.

<sup>40</sup>– "Obama Speaks Out Against Korea-U.S. FTA," *Chosun Ilbo*, May 26, 2008.

Hailing from a state and a political party strongly influenced by labor unions, it is not surprising that Obama would strike this tone on the potential FTA. He couches his opposition to the FTA in terms of protecting American workers and opposes entering trade agreements without offering “meaningful help to working Americans burdened by the dislocations of the global economy.”<sup>41</sup> However, as with many issues swirling about in a heated presidential race, it can be difficult to discern what proclamations the candidates make actually constitute planned policies. In an infamous event involving a Canadian government representative, it is alleged that Obama’s chief economic advisor assured an embassy official “that Obama’s NAFTA<sup>42</sup>-bashing ‘should be viewed as more about political positioning than a clear articulation of policy plans.’”<sup>43</sup> The campaign denied the statement, but it is not hard to imagine that calculations might have been made to woo certain portions of the electorate.

In the end, Obama’s take on free trade during the presidential campaign hews along traditional Democratic lines. However, it is important to note that the last Democratic president to inhabit the White House created NAFTA, arguably one of the largest free trade areas in the world.<sup>44</sup> So, while Obama’s opposition to the Korea FTA might provoke consternation from free trade promoters in Seoul and Washington, one should not rush to the conclusion that Asia would see a more protectionist U.S. market under an Obama administration. In fact, members of Obama’s economic team are considered centrist and market-oriented.<sup>45</sup>

There is no surprise that Senator John McCain was a staunch advocate of free trade, and would have pursued a free trade agenda for Asia: “The

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<sup>41</sup>- Barack Obama, “Renewing American Leadership,” *Foreign Affairs*, July/August 2007.

<sup>42</sup>- North American Free Trade Agreement.

<sup>43</sup>- Bonnie Goldstein, “Canada’s Obama NAFTA Memo,” *Slate*, March 4, 2008.

<sup>44</sup>- “Bill Clinton’s Economic Legacy,” *BBC News*, January 15, 2001.

<sup>45</sup>- Michael A. Fletcher, “A Market-Oriented Economic Team,” *Washington Post*, November 25, 2008.

United States should set the standard for trade liberalization in Asia.”<sup>46</sup> He specifies that he supports free trade agreements with Malaysia, Thailand, South Korea and “institutionalizing” economic partnership with India and Indonesia as part of “an ambitious Pacific-wide effort to liberalize trade.”<sup>47</sup> Of these efforts, the current free trade agreement with South Korea looms as a significant U.S. policy issue because this agreement would reportedly be the second-largest free trade agreement after NAFTA.

McCain defends the Korea-U.S. FTA on both economic and strategic grounds. *The Korea Times* quotes a McCain’s official website statement which read: “We have negotiated a trade agreement with South Korea that will expand American exports and create American jobs.”<sup>48</sup> In an address to the National Restaurant Association in Chicago, he contrasted his position with Senator Obama as he said, “Senator Obama calls that agreement, ‘bad for American workers’ – never mind the workers right here in Illinois who made the 750 million dollars in goods exported to Korea last year.”<sup>49</sup> McCain argues that an FTA with Korea would advance the economic interest of the United States.

McCain goes beyond economic benefits, however, and argues that this agreement is a key alliance issue. He told the same audience:

And he [Obama] doesn’t have much at all to say about the profound strategic importance of our relationship with South Korea, or how that partnership in a dangerous part of the world could be harmed by casting aside our trade agreement with South Korea.<sup>50</sup>

While this remark is directed as an attack against his opponent, the

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<sup>46</sup> - McCain, “An Enduring Peace Built on Freedom: Securing America’s Future.”

<sup>47</sup> - *Ibid.*

<sup>48</sup> - “Obama, McCain Differ on Korea Policy,” *Korea Times*.

<sup>49</sup> - “McCain Throws Weight Behind KORUS FTA,” *Chosun Ilbo*, May 21, 2008.

<sup>50</sup> - “McCain criticizes Obama for opposing Korea FTA,” *Yonhap*, May 20, 2008.

statement also reveals that McCain finds geostrategic value in the FTA.

Although Obama and McCain appear to have their greatest policy divergence on free trade, ironically, the political outcome may have turned out to be the same. Despite McCain's predictable support for free trade agreements, he would have faced difficulty in their ratification. The Democrat-controlled Congress is opposed to the FTA with Korea and is likely to reject ratification. Key figures in Congress, to include House Speaker Nancy Pelosi, have voiced opposition to the FTA with Korea.<sup>51</sup> Similarly, ratification from the Korean government may also face insurmountable obstacles given the South Korean public's sensitivities. Recent mass protests in Korea over the resumption of U.S. beef imports demonstrate the volatility of FTA-related issues.

## China

Obama and his advisors have acknowledged the complexities involved in future U.S. relations with China. Obama writes in *Foreign Affairs*, "We will compete with China in some areas and cooperate in others. Our essential challenge is to build a relationship that broadens cooperation while strengthening our ability to compete."<sup>52</sup> Jeffrey Bader, Obama's principal China advisor, has analyzed the region in structural terms, pointing out that "history has never seen a strong China and strong Japan at the same time," and that Washington has not put enough effort into understanding the strategic challenges posed by this impending Sino-Japanese rivalry.<sup>53</sup> This structural view once again highlights the somewhat realist orientation Obama's foreign policy might take in Asia, especially in terms of China.

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<sup>51</sup> - *Ibid.*

<sup>52</sup> - Barack Obama, "Renewing American Leadership," *Foreign Affairs*, July/August 2007.

<sup>53</sup> - Jeffrey Bader and Matthew Goodman, "Urgent Tasks for Bush Ahead of the APEC Summit," *The Financial Times*, November 14, 2005.

Moreover, Obama – with Bader at the helm – will most likely be more mindful of the Asian conception of “face” in his dealings with China. Bader encouraged the avoidance of negative statements in terms of policy differences with Beijing. For example, he points out that “China’s human rights are best advanced through discrete encouragement, not negative sound bites.”<sup>54</sup> More importantly, Bader discouraged presidential hopefuls from talking tough on China because it usually resulted in a period of ineffective engagement once they came into office. Again, Bader invokes a realist frame of reference for U.S. China policy when he states, “[c]ooperating with Beijing may challenge U.S. values, but the bond between nations improves global equanimity.”<sup>55</sup> While not a clear statement advocating a value-neutral approach, there is a real implication that the U.S. should deal with China on footing based more on pragmatism than ideology.

McCain views China as neither friend nor enemy, but as an emerging power that the United States must both engage with and hedge against. McCain’s speech to a committee of Chinese Americans reflects this duality:

The old debate about whether to engage China or contain it seems to me a bit stale. Yes, we should engage China. But we should not only engage; we also need to hedge.<sup>56</sup>

Green, his Asia advisor, echoes a similar argument that the U.S. policy should attempt to shape a “positive role” for China while “hedging” against the possibility that China will pursue a “negative path.”<sup>57</sup> McCain explains

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<sup>54</sup> Jeffery Bader, “White House Contenders: Avoid Negative Sound Bites on Beijing,” *The Sacramento Bee*, July 29, 2008.

<sup>55</sup> *Ibid.*

<sup>56</sup> “Sen. McCain addresses Committee of 100 Annual Dinner,” *Hindustan Times*, April 11, 2005.

<sup>57</sup> Green, “Constructing a Successful China Strategy: Promote Balance and Democratic Ideals in Asia,” p. 1.

how the United States would hedge: maintain a military presence in East Asia, strengthen alliance relations, and work with regional organizations.<sup>58</sup> Green also recommends a multi-layered approach to China that consists of bilateral engagement and a regional strategy, with a focus on strengthened allied partnerships. In the end, McCain's China strategy would most likely have been a moderate policy that neither embraced China as a partner in the region nor contained it as a mounting threat.

## Conclusion

No battle plan survives contact with the enemy, according to a famous quote. This will probably hold true, to some extent, with regard to President Obama's Asia policies once his administration faces the multitude of challenges in the region. Nevertheless, the Obama administration will hew to defined policy preferences. It is helpful, therefore, to put these policy approaches into context by understanding what his presidential rival, John McCain, had proposed. This comparative analysis sought to shed light on Obama's potential Asia policies. In general, Obama seems to emphasize pragmatism – even if that means direct dialogue with leaders of “rogue states.” McCain identified himself as a “realist idealist” and was a staunch advocate of a partnership among liberal democracies. For North Korea, Obama's approach might involve sending a high-level envoy for direct diplomacy, whereas McCain may have relied on allies to build multilateral pressure against Pyongyang. On free trade, Obama will likely ensure that caveats and conditions are in place to govern deals. McCain was a rigorous free trade promoter. In other areas, McCain and Obama's policies are indistinguishable. Both would work to strengthen the alliance with South Korea; both would cooperate and compete with China.

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<sup>58</sup> - “Sen. McCain addresses Committee of 100 Annual Dinner,” *Hindustan Times*, April 11, 2005.

As a way of better understanding the future U.S. posture in East Asia, it is instructive to look back at the policy differences between Obama and McCain during the presidential race. However, it is Barack Obama who has won the privilege to sit in the oval office as commander-in-chief. Although the occupant of the White House has changed, the elements that remain constant are America's responsibilities in East Asia: the maintenance of positive American influence, the strengthening of alliance ties, the deterring of aggressors, and the fomenting of regional peace and stability. Asia will soon discover how President Obama will seek to carry out these responsibilities.

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