

CARVING OUT HIS PLACE IN HISTORY

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- As he begins his second term, President Barack Obama's place in history is assured. A successful second term would set him on the path to becoming one of the most highly regarded presidents in US history.
- Domestic politics will continue to be Obama's focus during his second term. He will oversee the implementation of his signature first-term accomplishments, and seek additional policy changes in how the US approaches immigration and climate change.
- President Obama's second-term foreign policy team will continue the Pivot to Asia, while refining the emerging Obama Doctrine. The use of drones, Special Forces and cyber weapons will continue, as lower-cost tools to directly address threats to US national security.
- Europe must take far more responsibility for its defence and regional security, for its relationship with neighbours in the east and the south, and the EU should strive to achieve a Transatlantic Free Trade Area, while President Obama remains in office.

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As President Barack Obama steps into the White House for a second four-year term, he has the opportunity to go from being a good president to one of the most highly regarded presidents the US has seen – of metaphorically becoming a new face on Mt Rushmore.¹ To accomplish this amid an increasingly polarized political atmosphere, President Obama has to: (1) oversee the successful implementation of first-term domestic achievements, (2) craft additional significant domestic policy wins, while (3) setting US foreign policy on a more sustainable course for future generations. These three broad tasks are briefly considered below.

Overseeing the implementation of first-term achievements in domestic policy

Perhaps the most underappreciated achievement of the first Obama administration was the action it took to greatly limit the effects of the ‘great recession’ that started with the near collapse of the financial sector in the autumn of 2008. Although derided by political opponents and misunderstood by voters, the stimulus (formally American Recovery and Reinvestment Act) was a success which continues to change the United States. It also stopped the rapidly mounting job losses as soon as it was enacted, but as *Time*’s senior national correspondent Michael Grunwald has said, “the stimulus was a 2.5 million-job solution to an 8 million-job problem.”² Combined with the auto-industry bailout and Wall Street reform, a fair amount of credit must be given to the Obama administration for saving the American economy from a worse fate. Proving a historic counterfactual is not possible, but the continual efforts by the Republican Party to sabotage the administration’s efforts to improve the economy – for purely electoral purposes – suggest that even Obama’s

opponents knew the administration’s efforts were having a positive effect on the economy.

The most controversial first-term achievement which Obama must ensure is thoroughly implemented during his second term is the Affordable Care Act (ACA). The Act makes possible the most significant structural healthcare improvements Americans have seen since the creation of Medicare and Medicaid in the 1960s. Improving care, reducing the power of insurance companies, and extending coverage to tens of millions of Americans while reducing costs, is a monumental achievement. Obama’s primary domestic task during his second term must be to ensure that the changes become irreversible; Republicans will fight this at both federal and state levels, through both legislative and executive measures.

In what may be seen as a key period in the dominant civil rights struggle of the early 21st century, the Obama administration worked to achieve significant improvements in lesbian, gay, bisexual and transgender (LGBT) rights. These changes guaranteed millions of LGBT Americans almost equal status as citizens, in the eyes of the courts, employers and the military. The administration’s LGBT efforts were featured in US foreign policy and were frequently used by activists as an example that the United States was not only preaching to others about the need for reform, but also practising it.

Obama’s second-term domestic priorities

Having won re-election with a voter coalition that reflects the changing demographics of the US, President Obama is determined to focus on domestic issues during his second term – doing nation-building at home, to use his own words. On the agenda are at least two large issues: immigration reform and addressing climate change. Closing the Guantanamo Bay prison may be seen by some as a domestic moral issue, but for the Obama administration it will rank as a second-tier issue, much like effective gun control legislation.

Progress in any of these is to some degree dependent on Republican willingness to work with Obama and other Democrats. In general there is little to suggest that the Republican Party would not continue the kind of fierce obstructionist politics it has convinced

1 Mt Rushmore is located in South Dakota, and had during the 1930s engraved into its granite face the busts of four dominant US Presidents: George Washington, Thomas Jefferson, Abraham Lincoln and Theodore Roosevelt. Franklin Delano Roosevelt (FDR), US President from 1933 to 1945, should also symbolically occupy a space on Mt Rushmore.

2 “The New New Deal” by David Plotz, August 14, 2012. Available at http://www.slate.com/articles/news_and_politics/interrogation/2012/08/the_new_new_deal_a_book_argues_that_president_obama_s_stimulus_has_been_an_astonishing_success.html

itself have been successful since the mid-term elections in 2010. In fact, it is likely that with an eye towards the 2014 mid-term elections, the Republican Party will eschew all efforts at improving and governing the country, and focus on mounting both personal and spurious attacks against policies brought forth by the White House and Democrats in Congress.

Perhaps the most likely area where Obama can expect bipartisan impulses from Congress is immigration reform. The core component of reform would be to create a path to citizenship for the millions of illegal immigrants currently working and living in the United States. In addition to this, any reform is likely to include changed visa regulations and tougher enforcement provisions. Recently, reform has primarily been opposed by the GOP because it was seen as providing Democrats with millions of potential new voters. Because of developments in national demographics and Obama's overwhelming victory margin among Latino voters, the GOP has recognized the need to attract Latino voters to its side by moderating its stance on immigration. Because of this and Obama's emphasis on it, there is a strong likelihood that in his second term President Obama will achieve the passage of something like the *Dream Act*, paving the way for a more humane and rational approach to integrating the over ten million illegal immigrants into American society.

Climate change mitigation and efforts to change course from the current unsustainable ecologically destructive path were important for President Obama during his first term. In the eyes of many, Obama's accomplishments seem minor. However, the doubling fuel efficiency standards for cars and earmarking over ninety billion dollars of stimulus money for clean energy efforts, including energy efficiency, smart grid development, renewable energy technology, advanced biofuels and so forth, continue to have an impact, and lay the groundwork for a more efficient and environmentally sound US.

A key issue is how Obama will combine efforts to limit climate change with a focus on achieving greater energy independence. When Obama made increased energy independence a theme for his 2008 campaign, it is unlikely that he could have foreseen the tremendous changes in the US energy production mix that occurred during his first term. The development and harvesting of shale gas has

triggered a major shift in energy production and dependence dynamics. The percentage of electricity produced through gas has, according to the US Energy Information Administration, increased from 24% in 2010 to 31% in 2012, while only 36% of electricity used in 2012 was produced using coal (compared to 45% in 2010). According to a study by Dow Chemicals, approximately 90 billion dollars of investments have returned to the US due to the abundant availability of cheap gas. It is unclear how Obama intends to take advantage of predicted complete US energy independence and independence from oil from the Middle East by the end of his second term. This presents him with a range of opportunities and challenges, including how to continue to support renewable environmentally sound energy production when energy prices remain low.

If Obama can oversee the thorough implementation of ACA, further buttress LGBT rights, secure a comprehensive agreement on immigration, and gain some traction on climate change mitigation efforts, his domestic achievements could in modern times only be compared to those of Franklin Delano Roosevelt (FDR). To achieve this, Obama must work with and gain support from some members of the Republican Party, but it will also require jettisoning the almost reflexive bipartisanship he exhibited during his first mandate period. Like FDR, Obama also continues to face a range of foreign policy challenges. While Obama is unlikely to oversee the historic changes in global governance that emerged out of the wreckage of the Second World War, the emergence of an *Obama Doctrine* and strengthened *Pivot to Asia* will ensure that he also makes his mark on US foreign policy history.

The Obama Doctrine and Pivot to Asia – fundamental pillars of Obama's foreign policy

In the realm of foreign policy, Obama has laid the groundwork for a new US approach to the rest of the world. President Obama's second-term foreign policy team will build on this, and continue the *Pivot to Asia*, while refining the emerging *Obama Doctrine*. The use of drones, Special Forces and cyber weapons will continue as lower cost tools to directly address threats to US national security.

Under the emerging *Obama Doctrine*, the administration is ready to unilaterally use large-scale

military force only if national security is threatened. The raid into Pakistan to eliminate Osama bin Laden is illustrative of this. In situations where national security is not threatened or others have far more central interests, Obama is ready to contribute US capabilities, but partners are expected to take the lead and contribute significantly. The US approach to Libya in autumn 2011 is an example of this: both Arab and European countries were expected to take the lead, while the US provided indispensable logistical and operational support. Some have described this as the US withdrawing from the global leadership role it has had for decades, but in increasingly budget conscious Washington it is simply seen as making it clear to others that the time for freeriding is over. In Obama the United States has a president who recognizes the limits of American power, while appreciating the indispensable nature of the US in global affairs. Implicit in this is an acceptance that if others lead an endeavour, they are unlikely to do so based on strategies and approaches developed in Washington; achieving 70% of its goals in a particular situation without leading and with limited military or monetary contributions is seen as a good deal in the White House.

The second major pillar of the first Obama administration foreign policy was the *Pivot to Asia*. In Europe this has been unfairly seen as the abandonment of an old ally, when the US goal in the words of Secretary of State Hillary Clinton is rather “to build a web of partnerships and institutions across the Pacific that is as durable and as consistent with American interests and values as the web we have built across the Atlantic”.³ The US will continue to uphold its responsibilities towards its NATO allies in Europe, but because an ever-larger proportion of US foreign and security policy attention will be focused on Asia (including the Indian Ocean region), Europe will need to assume far more responsibility for its own defence. The strong interest in concluding a trans-Atlantic free trade area between the US and the EU should put to rest any fears of US abandonment of Europe; to emphasize its relevance and produce tangible economic benefits for Europeans, the EU would do well to focus efforts on concluding

3 Hillary Clinton’s full article *America’s Pacific Century* is available in *Foreign Policy* at http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century

such an agreement during the second Obama administration.

During Obama’s first term, the implementation of the Obama doctrine was notably dependent on the use of two new tools⁴, and the resurrection of a balanced diplomatic approach to building relationships and alliances. One of the new tools which has been central to enabling Obama’s desire for a ‘light footprint’ is the use of drones (UAVs) to conduct extrajudicial strikes and kill hundreds of individuals in (at least) Pakistan, Yemen, and Somalia. The use of these strikes has been justified by the administration as having effectively decimated the upper and middle ranks of al Qaeda, thereby preventing new terrorist strikes against Americans – a core national security interest. Of far more long-term importance is the precedent the use of drones has set, both within the framework of US foreign and security policy, and more globally as other nations develop strike-capable drones. With the selection of John Brennan, the primary architect of Obama’s drone strategy, to head the Central Intelligence Agency (CIA), the questions relating to the legal, practical, ethical and political consequences of the use of drones will continue to be relevant throughout the second Obama administration.

The second tool which the administration has increasingly relied on is cyber weapons, especially against Iran, and possibly other states. For posterity, whether Iran ultimately develops a nuclear weapon or not, is less important than the fact that the Obama administration has publicly opened Pandora’s box – together with Israel and China igniting a veritable cyber arms race. To combat especially active Chinese cyber espionage efforts, Obama has also made it clear that the United States is both in possession of advanced cyber capabilities and willing to use them.⁵

4 David E. Sanger’s book *Confront and Conceal* provides the most authoritative public account of the Obama administration’s use of both drones and cyber weapons, and informs the author’s understanding of the subject.

5 The recent Briefing Paper “Transatlantic cybersecurity: The only winning move is to play with others” published by the Finnish Institute of International Affairs provides an overview of the central issues which the US is currently wrestling with when it comes to cybersecurity. It is available at <http://www.fiia.fi/en/publication/303/>

What limited the foreign policy achievements of Obama's first administration was an inability to focus on a few key issues, largely due to a veritable tsunami of major foreign policy events with global implications. This was compounded by Obama's initial misunderstanding of the dynamics involved and the fear of abandonment potential allies felt, when the President offered the hand of friendship to all comers, some of whom interpreted it as a sign of weakness. Starting in 2011, the White House reoriented itself in this regard, and the reorientation is likely to continue into the second term.

Obama's second-term foreign policy – managing risk and preparing for the future

During his second administration Obama is likely to continue to focus on domestic affairs. Foreign policy in Obama's second term will focus on managing risk and preparing for the future. The second Obama administration acutely believes that nation-building at home is a prerequisite for the United States to be able to build relationships and coalitions that can positively influence world affairs in the 21st century – a better foreign policy will follow on from a domestically stronger United States.

Concretely, the most important thing President Obama can do is to further institutionalize the US-China relationship. The relationship will continue to evolve, with both sides recognizing the need for restraint but with competition intensifying. The biannual economic and security dialogues during which senior leaders from both countries meet with each other is a good start but more effort is needed, preferably in a regional context. The United States will also continue to deepen political, economic and military cooperation with numerous Asian states, engaging each country on its terms, with military engagement rarely being the initial primary field of cooperation. Obama must ensure that the *soft-containment* approach aimed at China strikes a balance between gently encouraging positive behaviour by China in its approach to international affairs, while reassuring partners and allies that the United States will stand firm in the face of overt Chinese aggression.

Balancing between issues-based engagement and reassuring allies is also something the United States will have to consider when dealing with Russia.

During the first Obama administration, NATO contingency plans were extended to cover new member states, and a range of exercises were held to reassure members of the Alliance's common defence capabilities. At the same time, Obama sought to lead a 'reset' of US relations with Russia, with generally positive but mixed results: the New START Treaty, supporting US and NATO operations in Afghanistan, and enabling strong pressure on Iran are three successful areas of mutual interest and cooperation. Relations are likely to ebb and flow, with tense times to be expected following incremental improvements in and new deployments of the US-NATO Ballistic Missile Defence system. During the second Obama term, Russia will not be seen as a significant US priority, though cooperation on individual issues of mutual interest will continue. Overall, Washington increasingly wants to see Europe taking the lead in coaxing Russia into a denser web of economic and political cooperation, with Washington providing support as needed.

In the broader Middle East, Obama will focus on the withdrawal from Afghanistan and contributing to the solution of various regional problems. When he came to power, Obama viewed Afghanistan as 'the good war', one worth investing additional resources in. By early 2013 the situation in Afghanistan remains precarious and support in the US for the effort in Afghanistan is minimal, more than sixty per cent of Americans say US troops should be removed from Afghanistan as soon as possible.⁶ Although the administration has flagged the possibility of leaving no Americans in Afghanistan after the end of 2014, it is highly likely that a few thousand American soldiers will remain in the country after 2014; some with counter-terror missions and some as a part of the NATO-led post-ISAF training operation.

While Iranian nuclear weapons ambitions are likely to dominate Obama's agenda initially, he is likely to focus on building working relationships with the new leaders emerging out of the myriad political and social revolutions in the Middle East, while providing support for the development of democratic institutions in the region. As his predecessors have

6 "Majority Support Quick Troop Withdrawal from Afghanistan", PEW Research Center, October 2012. Available at <http://www.pewresearch.org/daily-number/majority-support-quick-troop-withdrawal-from-afghanistan/>

done before him, Obama is also likely to expend some effort to broker further peace agreements between Israel and its neighbours (including Palestinians), while efforts aimed at Iran could result in a military strike or more likely a shift towards containment of a nuclear-armed Iran.

Ultimately, under Obama's second administration the US will remain globally active and engaged, but the days when the US paid for the upkeep of the global commons or singlehandedly tried to contain emerging crises is over. The selection of John Kerry as Secretary of State and Chuck Hagel as Secretary of Defense suggests that Obama wants American foreign and security policy to be capable, active but restrained. Structurally, this will be seen through a rebalancing of the Pentagon budget, emphasizing a 'light footprint' approach in military engagement (training and cooperation, not large permanent bases) and an increased political, economic and diplomatic focus for American engagement throughout the world. Both Kerry and Hagel have personal experiences rooted in the time they spent fighting in Vietnam, which remind them of the limits of American power, and like their boss's emerging doctrine mandates, are judicious when considering the use of American military power.

President Barack Obama's place in the history books is assured; his first-term achievements and socio-historic background guarantee it. Achieving similar success in his second administration would not guarantee a place on Mt Rushmore, but it would place the onus on opponents to explain why this former community organizer had not monumentally changed American society and its citizens' relationship to their government – a core requirement of joining Presidents Washington, Jefferson, Lincoln and Roosevelt.

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