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US strategic priorities in Asia by Rod Lyon

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The recent AUSMIN meeting in San Francisco celebrated the 60th anniversary of the San Francisco system—the 'hub-and-spokes' alliance arrangements that the US created to underpin security in the Asia-Pacific during the Cold War. From the Australian viewpoint, the meeting was extremely positive, reaffirming the alliance relationship and opening up new areas for security cooperation, such as defence against cyber attack. Moreover, the outcome of the meeting reinforces the idea that the US has 'returned to Asia' in its broader strategic settings, reengaging across the long littoral of the Pacific and Indian oceans as conflicts in Iraq and Afghanistan wind down. And the outcome suggests that the shifting of military instruments will be a key variable in the changing shape of US regional engagement symbolised for Australians by the intersection of the US Global Posture Review and the Australian Defence Force Posture Review, the media revelations of increasing US military use of Australian facilities, and the ongoing evolution of the ANZUS alliance to suit the more complex geopolitical realities of the 21st century.

That perception feeds a belief that the US has reprioritised Asia in its strategic policy and is now committed to strengthening the US-designed security order across the region and offsetting China's growing influence there. But how do Americans really see Asia today? What are the US's strategic priorities there? And has the region itself been consciously elevated in Washington's priorities? Having discussed those issues with a number of Americans during travels over the past two weeks, I'm not convinced that the answers are as clear as some might wish. There are three main reasons to think that. The first will seem trivial but it bears saying: US priorities in Asia are focused upon the US's own interests in the region. The second point is that economics—not military concerns—is the key driver of US interest in the region. And the third point is that Washington is still at an early stage in its thinking about the future regional security environment and its own role within it.

So what is the US's top strategic priority in Asia? When US analysts address that question, their answers tend to reflect US concerns rather than Asian ones. One view, for example, says that the US's top priority is to regain its position as the great power of Asia—part of the broader campaign to re-establish the US's position as the global leader. A second view says that the US's top priority in Asia is a geopolitical environment which best allows the US to pursue its economic interests there. Again, that's a subset of a larger priority—to rebuild economic strength as a pillar of US national power

in the years ahead. A third view says the US's top priority in Asia is to engage the emerging powers—and once more that's a subset of a global priority to strengthen US ties to a range of countries like Brazil, India, China, and Turkey, all of which seem likely to play more substantial roles in the strategic environment now unfolding. In short, while regional countries may argue quietly over which of them is most important to Washington, the correct answer is that the US is most important to Washington.

There isn't even unanimous agreement that the US has reprioritised Asia in its strategic policy. Some point to President Obama's personal connection to Indonesia and to the decision to sign on to ASEAN's Treaty of Amity and Cooperation, and subsequently to engage with Asia in multilateral forums, as signalling not only a new commitment to the region, but to a new acceptance of playing the Asian game by Asia's rules. Others are less certain: they argue that no reprioritisation has actually occurred. This school sees shifts in US policies towards the region as personality-driven: the outcome of different personalities, like Kurt Campbell for example, occupying key offices within the Washington bureaucracy. Advocates of this position say that Obama himself remains domestically focused and that Secretary of State Clinton maintains a broad view of her own portfolio, and seems not to prioritise any particular region.

There's a general acceptance that the US <u>should</u> have greater weight in Asia—for the simple reason that Asia has become more important as an engine of global growth and as a determinant of global outcomes in matters ranging from the environment to nuclear proliferation. But the US remains a power with global interests, and other things keep getting in the way—the Arab Spring, the Euro crisis, and Afghanistan, for example, not to mention US domestic concerns. Like other great powers, the US doesn't think first about a specific region and then about its interests there; rather, it thinks about its strategic priorities in a generic sense and then applies them everywhere. To a degree, it has increasingly found that satisfying those generic priorities demands greater Asian engagement. But that revaluation hasn't been reflected in any sort of formal US document—there's been no re-run of the 1995 East Asia Strategy Report, for example.

Economics is a key and ongoing ingredient of US interest in the region. The American view of Asia is heavily coloured by the region's amazing story of growth and development over the past five or six decades. The continued growth of the economic engines of China and India—and of a range of other Asian countries including South Korea, Vietnam, Indonesia and Australia itself—offers a spectrum of benefits to the US. At a time when the US is suffering its greatest economic downturn since the Great Depression, US policymakers are intensely interested in strengthening economic outcomes. And that means pressing for trade and investment liberalisation within Asia, pushing China and India towards increased domestic consumption, and ensuring that the US remains closely tied to the integrated production chains that are emerging within the broader Asia-Pacific. In recent years, US exports to APEC countries have grown more rapidly than US exports to non-APEC countries. In 2010, for example, exports to APEC economies totalled US\$774 billion, up 25% from 2009. Exports to non-APEC economies grew 15%, to \$503 billion. No surprise then that Obama will be hosting the APEC Leaders' Summit in Hawaii in November.

This interest in economics is not entirely self-centred. One school in Washington believes that high levels of economic interconnectedness help dilute Asia's strategic tensions, or at least make those tensions easier to manage. A second school argues that economics and security actually run on different tracks in Asia: that economic enmeshment has almost no effect upon the level of security tensions, but nor do security tensions stand in the way of economic enmeshment. Overall, then, the judgment seems to be that economic engagement is strongly in America's interest—and might help Asia. Moreover, drawing China into the existing

economic structure is a strategic goal in itself—because it is seen as integral to the emergence of a China that does have key interests in the status quo.

On the other hand, notions of conflict and military conquest are not especially central to the American view of Asia. Yes, the US knows that allies and partners in Asia require a degree of reassurance and hand-holding during the geopolitical transformation now underway across the region. Washington's picture of US alliances currently places greater emphasis on reassurance than on deterrence—that is, it is ally-centric rather than adversary-centric. But how much reassurance and deterrence is required is a finely crafted balance—if those elements are underplayed, the US security system in Asia will start to fray; but if Washington looks too committed to military outcomes in Asia, regional partners will worry. The 'containment' issue is a good indicator of the competing risks of abandonment and entrapment: allies all want a measure of reassurance against growing Chinese influence, but if they feel they are being lined up to support a US policy of containing China, they could baulk at new forms of alliance interoperability. Most Asian countries are comfortable with strategic ambivalence.

The final point concerns the future strategic environment. Washington does not count itself out as the natural leader of the Asian security order in coming decades. Most US analysts foresee a difficult decade for the US economy ahead, but over a twenty or thirty year timespan remain much more confident about the US capacity for rejuvenation. Still, they generally accept that even a rejuvenated America will probably find its primacy more contested in both global and regional arenas—because of the 'rise of the rest'. American thinkers are therefore increasingly embracing the idea of primacy as a team sport. And a theme that was initially devised for a different part of US strategic policy—'building partner capacity'—seems to be spreading out into the traditional security relationships.

Australians have become accustomed to hearing that they must expect to carry more of the load in future. But if anything, allies might still be underestimating what this means to Washington. Like all successful programs, building partner capacity is increasingly known in Washington merely by its acronym, BPC. BPC is the cure-all for the problems that America has encountered since 9/11. It is the mechanism for escaping the endless, protracted conflicts in Iraq and Afghanistan. And it is the strategy for managing the difficult non-traditional security challenges such as humanitarian assistance and disaster relief. With America fixated upon this approach in counter-terrorism and counter-insurgency operations, and across a range of softer security issues, it would be entirely reasonable to expect that the US will increasingly be looking to its partners to carry more of the traditional security burden as well.

Overall, what does this assessment tell us? Yes, the US has 'reengaged' with Asia. But it has not done so because it believes that a looming military contest requires it to do so. Rather, it senses that Asian 'emergence' to the forefront of global ranks behoves it to be involved there—especially at a time when developed economies are anaemic, and a new coterie of powers is making a run for greater international prominence in coming decades.

Has Washington become more fascinated with Southeast Asia? In part—and that's one of the reasons the Americans are more interested in Australia. Southeast Asia's strategic importance is certainly going up: Washington no longer sees it merely as a way-station to the Gulf, which was the dominant perception in Cold War days. Post 9/11, Southeast Asia was seen as both a set of important sea lanes plus a potential second front in the War on Terror. Nowadays, like the Indian Ocean, it's seen as a more interconnected piece of the broader Asian security puzzle. Still, it's obvious that Northeast Asia continues to outweigh Southeast Asia in US strategic priorities. Southeast Asia contains no Korean peninsula. Nor does it contain Taiwan. China borders the region, but is not part of it. Japan and India have interests in the region but don't live there.

Because of the South China Sea controversy, Southeast Asian states are in the market for stronger reassurances from Washington. That poses a dilemma for the US: how can it strengthen its presence in a subregion in which there is no dominant power, where declaratory policy overtly shuns power in favour of institutionalism, and where regional resilience is typically defined as a mechanism for keeping external powers at arm's length? The Obama administration has increasingly talked of reconfiguring the US 'footprint' in Asia: to one that is geographically distributed, operationally resilient and politically sustainable. In some ways, Southeast Asia is the test-bed for a different kind of US engagement: one that attempts both to reassure and deter from a position of more contested primacy within a subregion where partners are by nature strategically ambivalent. When the problem is seen in that light, the US interest in Australian help is more obvious. A stronger ANZUS alliance helps offset Southeast Asian ambivalence. And it gives the US time to build partner capacity within the subregion.

It's possible that a number of more drastic scenarios could alter the broad profile of US engagement in Asia: a large-scale North Korean attack on South Korea, for example, or a much more militant China. But absent such events, US engagement in Asia is likely to remain centred on current US priorities—reassuring allies, strengthening its economic connection to the region, and building partner capacities over the longer term.

Endnote

1 Kurt Campbell, 2011. 'Asia overview: protecting American interests in China and Asia', Testimony before the House Committee on Foreign Affairs Subcommittee on Asia and the Pacific, Washington DC, 31 March.

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