

“Pivot to Asia”: Liberal Implication of Security Relationship between the U.S. and China

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Abstract

The recent U.S. strategy toward Asia-Pacific, called “Pivot to Asia” or “Rebalancing Asia” announced by President Barack Obama during his trip to Asia-Pacific countries in 2011, focusses on multilateral organizations, economic and trade, security, and democracy. To analyze this strategy, this article utilizes liberalist theory and “complex interdependence” concept, developed by Robert O. Keohane, and Joseph S. Nye, Jr. Complex interdependence proposes that relationship between China and the United States results from multiple channels of communication, absence of hierarchy among issues, and irrelevance of military force. Therefore, in order to maintain peace and prosperity in the Asia-Pacific Region, both great powers could find common interests among various issues and should develop win-win situation (non-zero sum game) in their relationship. It means that the United States would be employing other means of national power than military power, such as economic or diplomatic means. Having stable and prosperous region equals to mutual interests among countries in Asia-Pacific.

Keywords: Pivot to Asia, Liberalism, Complex Interdependence, the United States, China

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The Asia-Pacific Region has increasingly interested the United States since 2011. The new U.S. strategy, known as “Pivot to Asia,” shifts the focus from the Middle East, where the United States had committed its budget and manpower to fight terrorism since 2001, to the Asia-Pacific. This strategy becomes even more obvious after President Barack Obama won his recent election in 2012 and visited countries in Asia-Pacific not long after while there was a political crisis in Syria at the same time.

What drove this change in the U.S. strategy in 2011? In this analytical consideration, one must inevitably take China into account. Partly because there have been many discussions about “the Rise of China” since the end of the Cold War, but recently China seems to become a new Asia-Pacific hegemon from its economic prosperity from magnificent growth in Chinese Gross Domestic Product (GDP). Until now, China has the second largest economy in the world, and it is expected that Chinese economy will overtake that of the United States by 2030. This fact and future trend makes the United States, the world number one great power, feel anxious.

This anxiety comes from a group of Americans that perceives China as a threat to its security; however, reaction from China’s rising might be various according to their attitudes toward China. Certainly, those who believe that the China-U.S. relationship is similar to “zero-sum game” prefer U.S. containment of Chinese expansion.¹ The Rise of China means the demise of the United States. They tend to be afraid of China and suspicious of the growing hegemonic status of China.

¹ See John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York : Norton, 2001); John J. Mearsheimer, “Structural Realism,” in *International Relations Theories : Discipline and Diversity*, eds. Tim Dunne, Milja Kurki, and Steve Smith (Oxford: Oxford University Press, 2006), 71-88; John J. Mearsheimer, “China’s Unpeaceful Rise” *Current History* 105, no.690 (April 2006): 160-162.

On the other hand, those who believe that the China-U.S. relationship is not a win-lose situation but win-win situation or “non-zero sum game” perceive that China and the United States can pursue common interests if both countries cooperate². Chinese power rise has nothing to do with the decline of American power. They recognize that great power cooperation lead to common goods, especially economic interests, and international order.

Nevertheless, the objective of this article is not to analyze the U.S. motivation in “Pivot to Asia,” but to focus on China-U.S. relationship according to theory of Liberalism. The thesis is that “within the environment of the global capitalism and free trade, the characteristic of China-U.S. relationship tends to be more “complex interdependence” and the consequence is limitation of the use of force as means to solve problems between two countries.” Therefore, the way to manage their relationship has to start from the premise of non-zero sum game that both countries can seek cooperation and common interests by using international institutions as means to achieve them. Combination between diplomatic strategy and economic strategy is then more preferable than military strategy in this relationship management.

The purpose of this article is to analyze the new strategic discourse, “Pivot to Asia” and the U.S. strategic direction in Asia through liberal perspective, not to propose an innovative theoretical framework of the China-U.S. relationship. The article first starts with the change in U.S. strategy toward Asia-Pacific. Second, it describes status and interests of China in Asia-Pacific. Third, it considers China-U.S. security relationship through Liberalism. Fourth, it presents some counter-arguments and critiques from Realism. Finally, this paper concludes with policy recommendations.

² See Barry Buzan, “China in International Society: Is ‘Peaceful Rise’ Possible?” *Chinese Journal of International Politics* 3, no.1 (2010): 5-36; David Shambaugh, “China Engages Asia: Reshaping the regional Order” *International Security* 29 (January 2005): 64-99.

1. The change in U.S. strategy toward Asia-Pacific

The United States have paid much attention in Asia-Pacific region since the World War II because of their battle with Japanese imperialism. After victory in World War II, the United States' grand strategy was Communist containment. The policy makers during the Cold War, such as George Kennan, had been preoccupied with competition with the Soviet Union; therefore, the United States needed to ally with countries in Asia, such as Japan, Thailand, the Philippines, in order to achieve the U.S.S.R. containment. Despite the country's weakness from the World War II, China was one of the Communist countries and became the United States target of containment, too. During Mao Ze Dong's Administration, communism was spread out and became real threat to Asian countries allying with the United States. While the United States still contained the U.S.S.R., the China-U.S. diplomatic relationship took place after Mao Ze Dong's death and Chinese Four Modernizations during Deng Xiao Ping's Administration.

However, after the end of the Cold War, the United States lost their strategic direction after fighting with the Communists for half of the century. After the change in strategy since the end of Cold War, the Obama administration's overall posture toward Asia has actually evolved greatly over 2010-2011. President Barack Obama laid out the result in its fullest form in November 2011, when he traveled to Honolulu (Hawaii, the United States), Australia, and Indonesia for a series of major meetings. The message of this remarkable trip deserves careful examination, as it expressed an integrated diplomatic, military, and economic strategy that stretches from the Indian subcontinent through Northeast Asia – and one that can profoundly shape the China-U.S. relationship. The core message is that America is going to play a leadership role in Asia for decades to come³.

The President's November 2011 Asia trip highlighted that U.S. policy has now taken a significant step forward in four areas⁴:

³ Kenneth Lieberthal, "The American Pivot to Asia: Why President Obama's Turn to the East is Easier Said Than Done," *Foreign Policy* (December 21, 2011). http://www.foreignpolicy.com/articles/2011/12/21/the_american_pivot_to_asia.

⁴ Ibid.

1) **Multilateral Organizations.** Over the past decade, China invested substantial efforts in the Association of Southeast Asian Nations (ASEAN), the ASEAN+3 (ASEAN, plus China, Japan, and South Korea), and the ASEAN Regional Forum (ARF). Beijing negotiated a free trade agreement with ASEAN that provided for generous “early harvest” measures in the mid-2000s; the full agreement came into effect in 2010. This agreement, of course, excluded the United States. Beijing also supported the ARF as the key regional security forum, possibly because the ARF had demonstrated over many years that it would operate wholly by consensus and would not take up difficult specific issues.

Against this background, Obama in November 2011 brought to completion his decisions to support decisively two different multilateral organizations. On the economic and trade side, the President declared that America hopes by December 2012 to see the Trans-Pacific Partnership (TPP) become a high-quality trade and investment platform that will include the major economies of the Asia-Pacific. The TPP is being structured around principles America champions in terms of transparency, protection of intellectual property, labor rights, environmental protection, and so forth.

On security side, America formally joined the East Asia Summit (EAS), and Obama used his inaugural participation to steer this new body toward focusing on difficult, concrete security issues in the region, especially maritime security. This was not at all to Beijing’s liking, but most participants supported the overall American approach. In short, Obama moved boldly to shift the center of gravity among the key multilateral organizations in Asia, favoring those that include the United States and leading them to take approaches favored by Washington but are painful for Beijing.

2) **Economic and Trade.** The Obama administration had a disappointing record on trade issues during its two-and-a-half years in office. But in early November 2011, it finally achieved ratification of the free trade agreement with South Korea, and it then turned its focus

to developing the TPP as a new trade and investment platform in Asia-Pacific. This pair of initiatives has pushed Asia back into the center of U.S. economic and trade initiatives, in line with Obama's oft-repeated assertion that there is no region as vital as Asia to America's future economic prosperity. All this came amid rising economic and trade tensions with China – tensions that are likely to decrease during the coming year of electoral politics in Washington and succession politics in Beijing.

3) **Security.** Obama declared unequivocally on this trip that he will protect America's Asian security investments from any future reductions in overall U.S. military spending. In Australia, moreover, he signed an agreement to allow rotational deployment of 2,500 marines in Darwin. Following a trip by new Defense Secretary Leon Panetta a few weeks earlier to the region, the President left no doubt that the U.S. military and broader security focus was now shifting from Iraq and Afghanistan to Asia and that this new posture will remain at the top of America's security priorities and will be protected from any future defense cuts.

4) **Democracy.** A global democracy agenda had not been a prominent part of Obama's term, but this changed significantly with the 2011 Arab Spring. The President made clear on this trip that America will lead in Asia in promoting democracy and human rights, declaring in Australia that, "Other models have been tried and they have failed – fascism and communism, rule by one man and rule by committee. And they failed for the same simple reason: They ignore the ultimate source of power and legitimacy – the will of the people." At his final stop, Obama announced that Hillary Clinton would visit Burma (Myanmar) in early December – the first U.S. secretary of state in 50 years to do so – to take the temperature of new reformist stirrings there and encourage progress toward more democratic governance. The new comprehensive strategy, in short, elevated the democratic component of American diplomacy in Asia

Most of the specific initiatives disclosed on the President's November 2011 trip had their antecedents in 2010 or before. But while previously the United States selectively pushed back when it objected to Chinese actions and focused great attention on managing the overall China-U.S. relationship, the November trip marked a significant shift. Washington is still very much focused on sustaining a constructive China-U.S. relationship, but it has now brought incongruent elements together in a strategically integrated fashion that explicitly affirms and promises to sustain American leadership throughout Asia for the probable future⁵.

This change in strategy has a significant effect on China's foreign policy and national interests. In the background of the year's diplomatic activity, there were a lively and continuing debate in Chinese and Western media about the Rise of China and the presumed permanent decline of the U.S. Gloom persisted over the American economy and political gridlock in Washington, as China's estimated GDP surpassed Japan's in mid-2010, ranking China number two behind the U.S.⁶. The next section will discuss the status and interests of China particularly in Asia-Pacific.

2. Status and interests of China in Asia-Pacific

China's status in Asia-Pacific is clear. It is a "Great Power." China deserves this title by any measure: the extent and strategic location of its territory, the size and dynamism of its population, the value and growth rate of its economy, the massive size of its share of global trade, and the strength of its military. China has become one of a small number of countries that have significant national interests in every part of the world and that command the attention, whether willingly or grudgingly, of every other country and every international organization. And perhaps most important, China is the only country widely seen as

⁵ Ibid.

⁶ Douglas Paal, "The United States and Asia in 2011: Obama Determined to Bring America "Back" to Asia" *Asian Survey* 52, no.1 (January/February 2012).

a possible threat to U.S. predominance⁷.

In Asia-Pacific, China's interests relate to its status as great power. Normal countries usually limit their national interests within their boundaries. However, as a great power, China extends its sphere of influence explicitly in Asia-Pacific region. This means that political, security, and economic interests of China are regional. Take ASEAN for example. For political and security, China is an active participant in the ARF. It is also a key member of many of the regional processes that ASEAN has involved in initiating, particularly the ASEAN+3 process⁸.

For economic interests, ASEAN-China cooperation in the economic field has grown rapidly since the signing of the Framework Agreement on Comprehensive Economic Cooperation in November 2002. Both sides have targeted to realize the Free Trade Area in 2010 for ASEAN-6 and 2015 for Cambodia, Laos, Myanmar and Vietnam. The "early harvest" plan under the FTA commenced in January 2004. Negotiations for the trade in goods component of the ASEAN-China Free Trade Area were concluded in June 2004. The negotiations for services, investment, and the dispute settlement mechanism (DSM) have commenced⁹.

For ASEAN development cooperation with China, it covers an expanded and intensified number of areas, apart from agriculture, information technology, human resource development (HRD), mutual investments and Mekong cooperation. These include science and technology, tourism, public health, youth, and culture. MOUs have been concluded in the areas of agriculture, non-traditional security issues and information and communication technology. More are being planned, including

⁷ Andrew J. Nathan and Andrew Scobell, "How China Sees America: The Sum of Beijing's Fears" *Foreign Affairs* 91, no.5 (September/October 2012): 32.

⁸ Ong Keng Yong, "Securing a Win-Win Partnership for ASEAN and China," in *ASEAN-China Relations: Realities and Prospects*, ed. Saw Swee-Hock, Sheng Lijun and Chin Kin Wah (Singapore: Institute of Southeast Asian Studies, 2005), 21.

⁹ *Ibid.*, 21-22.

one in transport cooperation and another in cultural cooperation. More than forty projects have been implemented since 1999 supported by the ASEAN-China Cooperation Fund¹⁰.

Not to be mentioned in the other regions of the world, China's national interests are vast. The approach that China employs in policy implementation is carried out by diplomatic and economic means rather than military instrument. China's perspective of the world after the Cold War is more like a cooperative world where every country aims at developing its own society and people with its own capability and helps from outside through trade and investment. As a regional great power, China has leaded countries in the region to this common prosperity.

3. China-U.S. security relationship: Liberal perspective

In order to understand security relationship between China and the United States after 2010, this article applies a school of thought called Liberalism. In response to Realism, Robert O. Keohane and Joseph S. Nye develop an opposing theory "Complex Interdependence" which leads to Neoliberal Institutionalism in *After Hegemony*, a classic book of this school by Keohane. The heart of Keohane and Nye's argument is that :

"In international politics, complex interdependence has three main characteristics: (1) *Multiple channels* connects societies, including informal ties between governmental elites as well as formal office arrangements; informal ties among nongovernmental elites (face-to-face and through telecommunications); and transnational organizations (such as multinational banks and corporations)...(2) The agenda of interstate relationships consists of multiple issues that are not arranged in a clear or consistent hierarchy. This *absence of hierarchy among issues* means, among other things, that military security does not consistently dominate the agenda...(3) Military force is not used by governments toward other governments within the region, or on the issues, when complex interdependence prevails¹¹."

¹⁰ Ibid., 22.

¹¹ Robert O. Keohane and Joseph S. Nye, Jr., "Realism and Complex Interdependence," in *International Relations Theory: Realism, Pluralism, Globalism, and Beyond*, 3rd ed., ed. Paul R. Viotto and Mark V. Kauppi (Boston: Allyn and Bacon, 1999), 307.

Consider U.S. strategy. For multilateral organizations on the economic and trade side, Obama declared that America hopes by December 2012 to see the Trans-Pacific Partnership (TPP) become a high-quality trade and investment platform that will include the major economies of the Asia-Pacific. The TPP is being structured around principles America champions in terms of transparency, protection of intellectual property, labor rights, environmental protection, and so forth. In order to implement these areas, there must be multiple channels of communication, especially transnational organizations-multinational corporations-to deal with trade and investment platform. Also, principles of TPP which are transparency, protection of intellectual property, etc. cannot be prioritized; they are equally important.

Even on security multilateralism, America formally joined the East Asia Summit (EAS), and Obama moved to shift the center of gravity among the key multilateral organizations in Asia. The focus on maritime security forces the United States approach multilateralism with constabulary role of military means. Multilateral organizations will set agendas, induce coalition-formation, and act as arenas for political action by weak states. Therefore, security in Asia-Pacific requires cooperation among members rather than balance of power among major actors in the region.

The free trade agreement with South Korea and TPP probably signify that Asia is important to America's future economic prosperity. The United States' military force is therefore irrelevant to resolving disagreements on trade and investment issues. It must employ other kinds of national power, especially diplomacy. In terms of security, Obama left no doubt that the U.S. military and broader security focus was now shifting from Iraq and Afghanistan to Asia and that this new posture will remain at the top of America's security priorities and will be protected from any future defense cuts. This is doubtful from Liberal perspective because in order to achieve prosperity from free trade agreement and TPP has nothing to do with military power.

Finally, the United States aims to promote democracy in the region. To develop democracy in Asia-Pacific countries, transnational relations are important to implant democratic institutions in those countries. Diplomacy is also important in this process.

Consider China's policy. ASEAN development cooperation with China, which covers science and technology, tourism, public health, youth, and culture, absolutely requires interstate, transgovernmental, and transnational relations with all members in ASEAN. As a result, more than forty projects have been implemented since 1999 supported by the ASEAN-China Cooperation Fund.

Relationship between China and countries in Asia-Pacific region can be considered from Liberalism as win-win situation for the most part. There are some issues, such as maritime territorial disputes with Japan and Southeast Asia countries. However, these problems are not prioritized as top issues in China's foreign policy because China aims at building the secure and prosperous Asia-Pacific region.

Therefore, the China-U.S. relationship from Liberal perspective is based on common interests and absolute gains rather than relative gains and win-lose situation. China and the United States can find common ground in creating Asia-Pacific as a zone of peace and prosperity by focusing on the following issues.

First, China and the United States can improve trade relations in the areas that can integrate common interests through comprehensive negotiations. Trade creates wealth of nations and both countries are now each other's second-largest trading partner. However, problems can occur in some differences between two countries, such as intellectual property rights. Negotiation is a means to overcome this difference because with agreed terms, they can advance their mutual interests in the long run. Most importantly, trade interdependence between two countries inhibits the use of force as means to compel each other.

Second, both can approach the security relations with multilateral cooperation rather than bilateral alliance with particular country.

Countries in Asia-Pacific region, especially ASEAN countries, realize that security and prosperity of the region means security and prosperity of their own and the region needs stability in order to make the region and the countries prosper. This logic of thinking is agreed by countries in this area. The obvious example is mutual cooperation in keeping sea lines of communication (SLOC) open for global capitalism and free trade.

Finally, both can cooperate through international institutions, such as Asia-Pacific Economic Forum (APEC) or ASEAN Regional Forum (ARF). Because international institutions are independent forces facilitating cooperation, hegemonic powers, like China and the United States, are necessary to establish cooperation among states. However, this kind of cooperation may endure after hegemony with the aid of institutions¹². Therefore, international institutions are excellent tools to achieve peace and prosperity in Asia-Pacific region.

4. Critiques from Realist perspective

Liberalism provides all possible reasons of U.S. approach to Asia-Pacific or “Pivot to Asia.” Multilateralism, international institutions, free trade, and cooperation are key concepts toward creation of common security and prosperity among countries in the region.

On the contrary, Realism, another school of thought, criticizes these key concepts of Liberalism, and disagrees that cooperation in international politics might not take place easily as Liberalism portrays. Realism encompasses five propositions :

“First, states are the major actors in world affairs. Second, the international environment severely penalizes states if they fail to protect their vital interests or if they pursue

¹² Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton, NJ: Princeton University Press, 1984), 246.

objectives beyond their means; hence, states are “sensitive to costs” and behave as unitary-rational agents. Third, international anarchy is the principal force shaping the motives and actions of states. Fourth, states in anarchy are preoccupied with power and security, are predisposed toward conflict and competition, and often fail to cooperate even in the face of common interests. Fifth, international institutions affect the prospects for cooperation only marginally¹³.”

From these assumptions, Realist counter-argues Liberal in the following issues. First, for free trade, China and the United States would have a hard time negotiating their trade relations because they always calculate who will gain more or less. Also, in the long run, the U.S. will not trust increasing military capability of China rooted from economic prosperity. Second, security cooperation through multilateralism hardly succeeds in the anarchic world. The biggest reason is that China and the United States have to rely on themselves in providing their own security, not counting on others' military capability to protect their sovereignty. Third, because states in anarchy often fail to cooperate even in the face of common interests, China and the United States tend to obsess with competition rather than cooperation. Due to preoccupation of their self-interests, they are blind to see common interests in the future. Fourth, international institutions is almost useless in Realist perspective because China and the United States both see that APEC or ARF affects the prospects for cooperation only marginally. Problem of free rider is the biggest issue of international cooperation.

¹³ Joseph M. Grieco, “Anarchy and Limits of Cooperation: Realist Critique of the Newest Liberal Institutionalism,” in *Controversies in International Relations Theory: Realism and the Neoliberal Challenge*, ed. Charles W. Kegley, Jr. (New York: St. Martin's Press, 1995), 153.

5. Conclusions and policy recommendations

From the liberal point of view, the relationship between China and the United States is perceived as non-zero sum game or win-win situation. It is more appropriate to approach the “Pivot to Asia” strategy by means of multilateral cooperation in order to achieve China-U.S. common interests, especially trade and investment. Military instruments are to be used to keep the region stable, not to balance the growing economic and military power of China. Even the use of force to deter China is to be limited.

For policy recommendations, the way to manage their relationship has to start from the premise of non-zero sum game that both countries can seek cooperation and common interests by using international institutions as means to achieve them. Combination between diplomatic strategy and economic strategy is then more preferable than military strategy in this relationship management.

One of the U.S. strategies, called offshore-balancing, should be evaluated whether it fits the context of Asia-Pacific region in 21st Century. Most of the countries in this region prefer to keep capitalism and free trade run throughout the area because wealth from economic prosperity has an effect of domestic development in every country. Recommended strategy for Asia-Pacific engagement is the mixture between strategic restraint and liberal internationalism.