“Rebalancing” to the Asia Pacific is the signature foreign policy initiative of the Obama administration. Despite the attention it has rightfully garnered, the rebalance remains poorly understood. In addition to misapprehension about its fundamental principles, discussion appears to be dominated by what this policy isn’t rather than what it is. This essay aims to clear up the confusion, explain what the U.S. is doing as it shifts its strategic focus to the Asia-Pacific region, and its implications for the U.S.-Japan alliance.

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A tighter linkage

It is tempting to see the “rebalance” as a reflection of President Barack Obama’s own experience. Having been born in Hawaii and having lived several years in Indonesia as a child, an Asia-Pacific outlook comes naturally to him. But attributing this policy to Obama’s personal profile misses the fundamental shift in global power that drives U.S. thinking. The rebalance is an attempt to more tightly couple the United States to the world’s most dynamic region. As National Security Advisor Thomas Donilon explained in a 2012 speech at the Center for Strategic and International Studies, “Asia accounts for about a quarter of global GDP at market exchange rates, and is expected to grow by nearly 30 per cent in 2015. The region is estimated to account for nearly 50 per cent of all global growth outside the US through 2017. Asia accounts for 25 per cent of U.S. goods and services exports and 30 per cent of our goods and services imports. An estimated 2.4 million Americans have jobs supported by exports to Asia”\(^1\). A tighter linkage will serve America’s strategic interests by rejuvenating the U.S. economy, which will in turn lay the foundation for sustained U.S. strength and influence abroad, a logic that was first articulated in the 2010 U.S. National Security Strategy\(^2\).

The rebalance itself is an intellectual framework for U.S. foreign policy in the aftermath of the Iraq withdrawal and the Afghanistan drawdown\(^3\). It sets priorities for the U.S. government at a time of wrenching geopolitical change and intensifying fiscal constraints. It is a signal to US allies, friends and partners of an ongoing commitment to the Asia-Pacific – and a warning to potential adversaries as well. The policy is framed, first and foremost, in terms of the “soft” elements of US power. Secretary of State Hillary Clinton argued that “it starts with forward deployed diplomacy.” A second dimension involves economic and business engagement, in particular the forging of stronger economic ties with the region through the Trans-Pacific Partnership (TPP) trade agreement. The third and final dimension is military. That order matters. Framing the rebalance is the recognition that U.S. engagement of the Asia-Pacific region has been too narrow and the military has borne a disproportionately large burden. The U.S. must engage more broadly, using a more diverse array of tools in the U.S. diplomatic toolbox. In this, the rebalance continues the U.S. use of

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Back? We never left

It is also important to note what the rebalance isn’t. First, it isn’t new. Some trace the intensified U.S. focus on Asia to the East Asia Strategy Reports, four of which were promulgated in the early 1990s as the Cold War was winding down. In fact, however, the U.S. interest in Asia goes back hundreds of years, before the U.S. even had a Pacific coast. State Department officials concede that it was a mistake to proclaim that the U.S. was “returning to Asia” in the early years of the Obama administration; it never left. And if the rebalance isn’t a radical shift, neither is it an abandonment of Europe. The U.S. remains committed to trans-Atlantic relationships, as evidenced by the continuing attention to NATO and the launch of US-Europe free trade negotiations. The commitments to peaceful settlement of disputes in the Middle East and the protection of interests in the critical region remain undimmed as well. Second, it isn’t focused on the military. In fact, the rebalance was designed to lighten the load shouldered by the U.S. military in the region: the tip of the spear is carrying a heavy weight in the Asia Pacific. Unfortunately, one of the first official documents to come out of Washington after the policy was announced was the 2012 Defense Strategic Guidance, and changes to the military presence in the region have been most visible: hardware and personnel deployments are hard to miss. All of which inadvertently reinforced the idea that this was predominately a military initiative. U.S. officials have been playing catch up ever since. Third, and perhaps most controversially, the rebalance is not a strategy to contain China. China will be a critical part of any Asia strategy. In his CSIS remarks, Donilon noted that the fourth element of the strategy explicitly identifies “a stable and constructive relationship with China,” adding that “There are few diplomatic and economic challenges that can be addressed in the world without having China at the table.” Every U.S. official, from President Obama on down, emphasizes that “a thriving China is good for both China and America.” As one recent speech explained, “We all need China to succeed and President Obama has been clear on many occasions that the United States desires a positive and

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6 T. DONILON, op cit.
collaborative relationship”. There should be no doubt that implementation of this policy will impact China. But the degree to which the rebalance “targets” China depends on Chinese behavior. If China chooses to act as a partner, then the U.S. will treat it as one. If, however, China pursues a revisionist agenda that challenges the norms, rule and institutions of global order, then the U.S., along with like-minded governments, will respond accordingly.

The rebalance reflects a better understanding of the difference between leadership and power. It is founded on the premise that an enduring regional order – which serves the U.S. and all countries of the region (and indeed the world) – demands a variegated approach to engagement, one that distributes both power and responsibility across countries to both give them a stake in outcomes and maximize the resources that can be brought to bear on new and enduring challenges. To accomplish those objectives, the rebalance rests on five pillars: strengthened and modernized security alliances across the region; deeper partnerships with emerging powers; deeper engagement in institutions – global and regional – to promote regional cooperation, the peaceful resolution of disputes, and adherence to human rights, and international law; a stable and constructive relationship with China; and advancing the region’s economic architecture. There is considerable overlap among these elements, but a recurring theme is the need to overcome fiscal restraints that impact the U.S. and all its allies and partners in the region. The rise and recognition of new security challenges hasn’t drowned out the call for smaller defense budgets. The impact of cuts can be minimized by the creation of efficiencies across defense bureaucracies. Cooperation, coordination and integration across the alliance system and with like-minded partners can distribute and reduce costs without undermining security.

Japan remains a key partner

America’s five alliances provide the sinews of its engagement with Asia. Despite the many problems that Japan has had over the past two decades, the alliance with Japan remains a core component of U.S. foreign policy. China may have been overtaken Japan as the second largest economy of the world, but it is still number three, a rich country with great human, technological and financial resources, and a nation whose values and interests closely coincide with those of the U.S. There is some concern in Tokyo that a closer, more cooperative US-China relationship will come at Japan’s expense, but that is paranoia.

7 Ibid.
8 Ibid.
Trans-Pacific diplomacy is not zero sum. Since its inception, the U.S. has worked to strengthen and modernize its alliance with Japan. Those efforts took on renewed vigor and purpose in the mid-1990s, proof once again that core elements of the “rebalance” are long-standing themes of U.S. policy. More recently, North Korean belligerence and increasingly assertive Chinese foreign policy underscored the need for Japan to reorient its defense posture and improve its capabilities. Those same developments highlight the importance of the U.S. commitment to Japan’s defense. Adaptation to new challenges has pushed the two governments to reconfigure the U.S. presence in Japan. That process has been slow and painful, however, frustrated by opposition within Okinawa, where critical U.S. assets must be redeployed, and years of political turmoil in Tokyo. In some ways, the alliance faces a perplessing dilemma. On the one hand, failure to move forward with realignment plans keeps the alliance from being best prepared for contingencies and prompts concern in Tokyo that Washington may lose patience with its partner. On the other hand, progress will result in the reduction of the U.S. military presence in Japan – in response to Japanese protests – a development that some Japanese worry anticipates U.S. disengagement. Fears of abandonment are also fueled by the Obama administration’s commitment to reducing the role of nuclear weapons in U.S. national defense. For years, the U.S. insisted to alliance partners the nuclear weapons were essential to the continued effectiveness of the U.S. extended deterrent. If that is true, then the decision to reduce the role of nuclear weapons would seemingly undercut the credibility of that deterrent. The rebalance is designed to reassure U.S. allies (and adversaries) that the U.S. commitment to their defense is undiminished.

U.S. facilities in Japan play a key role in the U.S. commitment to the Asia-Pacific region more generally. One of the goals of the “rebalance” is to provide more attention to Southeast Asia. Within a military context, the U.S. is moving toward a “more “flexible” approach to deployments in [Southeast Asia], in which U.S. deployments will be smaller, more agile, expeditionary, self-sustaining, and self-contained”. In this environment, the large facilities in Japan, such as the Yokosuka naval base and Kadena Air Force base, take on even more importance.

The U.S. wants Japan to be a player in the region, a contributor to regional security on all levels. While the “cork in the bottle” metaphor is both outdated and inappropriate – there is no constituency in Japan that backs an aggressive security role for the country – there is recognition that the alliance with the U.S. helps legitimate certain forms of Japanese security engagement in Asia. Moreover, deep coordination between the two allies helps ensure that both governments use resources most efficiently, an increasingly important concern as they grapple with ever-tighter budgets. In several ways, then, the alliance is a force multiplier for each country.

In truth, however, the most effective contributions Japan can make to regional security are outside the military realm. The constitutional restrictions on defense and security policy are powerful inhibitors and will not be lifted anytime soon. The Japanese public is profoundly ambivalent about – if not hostile to – a greater “hard” security role by their military. The rebalance’s focus on engagement across a more diverse array of fields and interests maximizes Japan’s opportunities to share burdens in regional security policy by prioritizing arenas in which Tokyo can do more without fear of encountering constitutional barriers, such as shoring up support for the East Asian Summit, and which enjoy popular support. In short, the rebalance plays to Japanese strengths in diplomacy, business and economics.

Similarly, the rebalance’s emphasis on broadening ties among U.S. allies and partners meshes well with Japan’s “hedging strategy” that seeks to both embed the U.S. in a thicker web of relations in the region (to keep it from disengaging) and strengthen Japanese ties to other security partners. Washington has accepted the need for consolidating ties among the “spokes” of the U.S. alliance “wheel” in Asia. There have been initiatives, most of them ad hoc, including the Quadrilateral Group that launched the international response to the 2004 Boxing Day tsunami, the Trilateral Strategic Dialogue that involves the U.S., Japan, and Australia, or the ever so tentative U.S., Japan, South Korea trilateral that continues to be frustrated by political tensions between Tokyo and Seoul. The rebalance provides an intellectual and policy framework for engagement across bureaucracies and allies.

Finally, the rebalance has the potential to strengthen Japan through its economic pillar, and the TPP in particular. The U.S. is pushing those trade negotiations for several reasons. First, a trade deal will thicken the ties that bind the U.S. to the Asia-Pacific. A deal of this size should expand trade across the Pacific, firmly orienting U.S. businesses toward this

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13 B. GLOSSERMAN, (H)edging toward Trilateralism: Japanese Foreign Policy in an Uncertain World, Instituto per gli Studi di Politica Internazionale, Policy Brief no. 84, December 2011.
dynamic region. Second, a regional trade deal is intended to reintroduce momentum to the stalled round of Doha global trade talks, which are currently comatose, if not dead. Third, the TPP is designed as a corrective to the many trade agreements that have been adopted in recent years that, while consuming precious diplomatic resources, do little – even when concluded – to lower real barriers to trade. The TPP will be a “gold standard” for trade talks, a deal that raises the bar for trade liberalization.

This new standard takes on particular importance in the Japanese case. As should be clear by now, the U.S. wants a rejuvenated Japan as its partner. Just as the rebalance aims to use stronger ties with the Asia to help drive the U.S. economy, policy makers in Washington believe that the reforms forced on Japan by TPP negotiations will help jumpstart that moribund economy, a view that is shared by some officials in the Japanese government – and quite a number in the Ministry of International Trade, Economy and Industry. To be honest, however, there has been great ambivalence in the U.S. about the desirability of having Japan join the TPP. There are fears that Japanese negotiators will be more interested in protecting cosseted industries than moving toward the sort of liberalization that will set the “gold standard” the U.S. seeks. Thus far, those fears look warranted.

Some argue that stronger nonmilitary ties between the U.S. and Asian states constitute a commitment to the region that can compensate for a diminution of the more visible elements of a “hard” security presence. Crudely put, by this logic Washington should be able to substitute business investment and a diplomatic foreign presence for a military tripwire. While in theory tens of billions of dollars in investment and thousands of transplanted people (albeit civilians) are a formidable national interest and should evidence a commitment to regional affairs, in reality the calculations are not that simple. Conversations with U.S. allies have disabused me, at least, of the notion that such commitments are fungible.

The China factor

China hates the rebalance. In every conversation I have had with Chinese officials and experts over the last year – and there have been many – the policy is viewed with great suspicion. The default position is that the rebalance is aimed at China and is intended to block China’s rise, sustain U.S. hegemony and contain China’s ambitions. (There are some more reasonable voices who are prepared to wait and see how the policy is implemented, but even they are quick to see offense in U.S. tactics)14.

Chinese policy makers are especially angered by the rebalance’s stated goal to strengthen U.S. alliances. China objects to those alliances as a matter of principle, arguing that they are Cold War relics whose time has passed, and whose founding premises are an impediment to the cooperation that is needed to tackle 21st-century security challenges. U.S. ambitions are even more disturbing since at least two of those allies have festering territorial disputes with Beijing. The U.S. statement that the disputed Senkaku/Daiyutai islands fall under Article 5 of the U.S.-Japan Security Treaty is an especially large bone in the Chinese throat.

Objections are not consistent, however. At one point, the allies are U.S. cat’s paws, manipulated by Washington into conflict with China. In the next breath, it is the U.S. that risks being manipulated by allies who use alliance commitments to get Washington to run interference for them. In both cases, however, strengthened ties between the U.S. and its allies ultimately push Washington and Beijing toward confrontation.

China insists that the U.S. is drawing a line through the region and demanding that other countries pick sides between Washington and Beijing. Taking the U.S. at its word that it seeks deeper engagement across a wider range of endeavors, Chinese analysts assert that the U.S. rebalance ultimately bifurcates all forms of engagement — military cooperation, trade negotiations or picking the appropriate forum for diplomatic discussions. It is a clever strategy, as it puts regional governments on notice that there is no neutrality when it comes to responding to U.S. overtures. But it also assumes that those governments cannot see for themselves the reality of the rebalance and cannot interpret Chinese intentions and policies for themselves.