

## **Chapter 8**

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# **The United States: Challenges for the Obama Administration's Second Term**



In the presidential election of November 6, 2012, President Barack Obama was reelected to office. Since its start, the Obama administration has not only aimed for a “responsible withdrawal” from “today’s wars” in Iraq and Afghanistan, inherited from the George W. Bush administration, but in light of the harsh fiscal situation, the administration has also been working to trim the defense budget based on a comprehensive review of its defense strategy. Meanwhile, although the “fiscal cliff,” looming at the start of 2013, was avoided, no improvements have been seen in the mounting federal deficit or growing social security costs. This makes reduction of the federal budget, including defense spending, an ongoing challenge for the administration to address.

From 2011 to 2012 the Obama administration clearly announced the “Asia-Pacific rebalancing” policy, signifying the centrality of the Asia-Pacific region in its foreign and security policy. As part of this effort, the administration is strengthening its ties with the regional countries, while also implementing a review of US force posture, including the geographical distribution of the US Marine Corps and the force shift to the area. With the aim of building more comprehensive relationships including security cooperation, high-ranking US government officials—including Secretary of State Hillary Clinton and Secretary of Defense Leon Panetta—actively toured Southeast Asian countries such as the Philippines, Vietnam and Indonesia, and India as well. The Obama administration has indicated that it will also continue to place importance on maritime security, and has shown increased interest in finding a peaceful resolution to territorial disputes in the South China Sea. The administration has been encouraging ASEAN to secure its unity and to play a more active role for a peaceful solution to these disputes. Against the backdrop of increasing interest in maritime security, the Obama administration is also advancing efforts for ratification of the United Nations Convention on the Law of the Sea (UNCLOS), which the United States signed in 1994.

Many challenges also accompany this effort to rebalance to the Asia-Pacific. With federal budget cuts on the negotiation table, it might become increasingly difficult to secure the resources necessary to continue enhancing US engagement in this region. Meanwhile, as a global power, the United States cannot neglect the instability in the Middle East situation, associated with Iran’s nuclear ambitions, Syria’s civil war, and other concerns. In addition, uncertainty remains as to whether operations in Afghanistan can be brought to a successful conclusion by

the end of 2014 as planned. A continuous rebalancing toward the Asia-Pacific could thus become difficult depending on the situation in other regions.

## 1. The Second-term Obama Administration and US National Security

### (1) Obama's First Term and Reelection

Barack Obama was reelected as president on November 6, 2012, and began his second term of office on January 20 of the following year. At the start of its second four years, the Obama administration is renewing its national security team. Appointed as secretary of state following Hillary Clinton, who was Obama's fierce opponent in the Democratic primaries in 2008, was John Kerry, chairman of the Senate Foreign Relations Committee and the Democratic candidate in the 2004 presidential elections. Chuck Hagel, a former Republican senator from Nebraska, took over from Panetta as the Secretary of Defense. Replacing David H. Petraeus, director of the Central Intelligence Agency who resigned citing an extramarital affair, was John O. Brennan, chief counterterrorism advisor to President Obama and a CIA-trained Middle East and counterterrorism expert. Along with this cabinet-level reshuffle, replacement of sub-cabinet-level officials is also underway.

The Obama administration made its entrance with the slogan of "Change." Looking back over the past four years, many of the administration's accomplishments concerning national security can be found in the issues inherited from the Bush administration. A case in point is the end of "today's wars," the

military operations started by the Bush administration in Iraq and Afghanistan. Following the pledge President Obama made during the campaign, the United States ended combat operations in Iraq in August 2010, and completed withdrawal of all US troops from Iraq in December 2011. On the other hand, with regard to Afghanistan, the United States launched a troop surge of



**President Obama being sworn in for his second term of office (January 21, 2013)** (Official White House Photo by Sonya N. Hebert)

30,000 in a time frame of eighteen months in order to “break the Taliban momentum and increase Afghanistan’s capacity.” In July 2011, the United States initiated withdrawal on the understanding that the objective of the surge had been achieved. Security responsibility is now being gradually transferred to Afghanistan with plans to end US combat operations in Afghanistan by the end of 2014.

The Obama administration is also moving forward with “Asia-Pacific rebalancing,” pivoting its foreign and security policies toward the Asia-Pacific region. Although the Obama administration has been strengthening its relations with this region since its start in 2009, it appears that it hopes to boost such efforts through the explicit announcement of this policy as a “rebalancing” to the region.

## **(2) Deeper Defense Budget Cuts and US National Security**

One corollary of the aforementioned end to today’s wars was cuts to the national defense budget. Since the beginning of military operations in Afghanistan in October 2001, the US national defense budget, including war expenditure, had doubled in nominal terms and increased by 70 percent in real terms because of the operations there and in Iraq. But now, with the wind-down of today’s wars, it would only be natural for the defense budget to face a cutback, be it large or small. Meanwhile, the US economy has remained sluggish since the subprime mortgage catastrophe as the fiscal deficit continued to soar. This has made deficit reduction, including by way of federal budget cuts, a major task facing the Obama administration as well. In addressing this challenge, there is no way to avoid having the national defense budget come under the knife, given that it accounts for about one-fourth of the total federal budget and about half of “discretionary spending,” which are policy expenditures.

The Budget Control Act of 2011 (BCA) was passed in August 2011. This legislation sets federal budget cutbacks over the ten-year period from fiscal years 2012 through 2021 with the aim to reduce the fiscal deficit. Accordingly, in January 2012, the Department of Defense (DOD) announced a plan to cut the national defense budget by about \$487 billion over the next decade. The DOD stated at that time that this \$487 billion reduction will be implemented through measures including: (1) budget curtailment such as organizational consolidation/disestablishment and rationalization, personnel cuts, and pay freezes; (2) reduction of end strength by, among others, returning to levels that existed before strength

of the Army and Marines was increased for operations in Iraq and other areas; (3) early retirement of aging equipment; and (4) changes in plans to modernize equipment such as procurement cancellation or reductions, and postponing purchasing schedules.

The BCA also includes a measure that could reduce the federal budget even more. This measure—automatic spending cuts known as “sequester”—lowers the caps on the federal budget from fiscal years 2013 through 2021 should Congress fail to pass legislation by January 15, 2012, to remove at least \$1.2 trillion in spending over a period of ten years. (On November 21, 2011, the Joint Select Committee on Deficit Reduction announced that it failed to reach agreement on a plan to cut deficits.) Since fiscal 2013 is already underway, the appropriated budget for this fiscal year will be subject to across-the-board cuts in each budget function, cancelling budget authority. As this across-the-board cut leaves little room for selection, equally slashing both significant and non-significant budget items, its impact on a broad range of programs is feared. The BCA had set sequestration to go into effect on January 2, 2013. If sequestration is triggered, it is estimated that national defense budget cutbacks under the BCA, including the already announced \$487 billion reduction, will nearly double.

In addition, it was predicted that January 2013 would see not only the federal budget slashed through sequestration but also a major rise in tax rates due to expiration of the Bush tax cuts. The subsequent expenditure cuts and tax increases would certainly reduce the federal deficit, but at the same time, the serious consequences this would have on the US economy were frightening. To avoid this so-called fiscal cliff, beginning from the end of the November 6 presidential election and continuing on to the end of the year, negotiations were held between the Obama administration and the House Republican leadership, as well as with the inclusion of Senate leadership of both parties. These efforts resulted in an agreement reached on January 1, 2013, which staved off the fiscal cliff. On the following day, the agreement was enacted as the American Taxpayer Relief Act of 2012. This act raises the tax rate for high-income households (singles with incomes above \$400,000 and married couples with combined incomes above \$450,000). It also delayed the initiation date of the BCA sequestration two months from the original January 2 to March 1. During those two months, Congress is to work on a more balanced plan that combines additional revenue and spending cuts.

During the aforementioned negotiations to stave off the fiscal cliff, a range of

proposals to reduce the fiscal deficit was raised, but largely speaking, there were two main issues placed on the negotiation table. First, increasing revenues by increasing taxes. This could be implemented by, as the Obama administration argued, raising tax rates focusing on high income taxpayers; or as the House Republic leadership argued, by abolishing tax loopholes, including tax deductions and exemptions. The second issue concerned how much of a role spending cuts should play in reduction of the fiscal deficit. Debate here focused on cuts in areas such as social security costs. Although discretionary spending is also subject to expenditure cuts, thereby making defense budget cuts also part of the discussion, the reduction of social security expenditures remained the center of debate.

This, however, does not change the unsparing circumstances surrounding national defense spending. First, against the backdrop of fiscal deterioration, federal government debt is increasing. Take, for instance, “federal debt held by the public,” the federal government’s financial obligation to private financial institutions and individuals; it amounted to 32.6 percent in fiscal 2001 due to the favorable economy of the 1990s, but rose again since then, marking a steep increase from fiscal 2009. For fiscal 2011, the debt level was 67.7 percent of GDP, the second highest in US history, following 108.7 percent in 1946. It is projected that this will remain at above 70 percent for some time to come. Second, mandatory spending, including social security costs, is increasing, and this is putting a squeeze on discretionary spending. In 1962, discretionary spending was 68 percent of the federal budget, but its proportion dropped to 37 percent in 2011. The trend is believed to continue. Based on such circumstances, it would be necessary to continue trimming the federal budget. Regardless of how Congress deals with sequestration, which was extended to March 1, 2013, it is quite credible that national defense expenditure, which holds a large proportion of the federal budget, will be subject to reductions that go far beyond the already announced \$487 billion cuts.

Moreover, focusing on defense spending itself, military personnel pay, benefits, medical costs, as well as fuel and equipment maintenance costs are increasing. According to the Congressional Budget Office (CBO), Operation and Maintenance spending per active duty service member (including fuel and equipment maintenance costs; roughly equivalent to military activity expenditure) has steadily risen since the 1980s, and even if the requirements arising from operations in Iraq and Afghanistan are subtracted, the upward trend remains unchanged and

is expected to continue. This is also the same for the military personnel account. *The Defense Budget: Priorities and Choices*, prepared and released by the DOD in January 2012 based on the Defense Strategic Guidance (DSG) released in the same month, states that “the cost of military personnel has grown at an unsustainable rate over the last decade” and “within the base budget alone (i.e., excluding wartime funding or OCO [Overseas Contingency Operations]) during this same time period personnel costs increased by nearly 90 percent, or about 30 percent above inflation, while the number of military personnel has increased by only about 3 percent.” Taking these circumstances into account, a report compiled by the Center for Strategic and International Studies (CSIS) on the defense budget reductions states that “the defense budget is being ‘hollowed out from within’ by internal cost inflation even as it faces downward pressure on its top line.”

Meanwhile, as stated in the DSG released in January 2012 that “the US military will invest as required to ensure its ability to operate effectively in anti-access and area denial (A2/AD) environments,” the DOD has indicated its policy of continuing to promote military modernization. But while the total defense budget is under the previously mentioned mounting pressure, the aforementioned “internal cost inflation” is reducing the slice of the pie that can be set aside for modernization efforts. This has led to arguments for implementation of studies based on the premise of securing fiscal space for modernization by reducing none other than the force structure itself. And, in promoting such examinations, it is also argued that caps on resources available in the long term should be accepted and strategic objectives established within such limitations.

However, from the fact that defense expenditure has rapidly increased over the decade since the 9/11 terrorist attacks, it could be viewed that even in the event of deeper defense cuts there will still be room for strategic options. Nevertheless, when long-term trends are considered, increasing difficulty might be faced in the task of balancing resource distribution and global security commitments.

## **2. The Implementation and Challenges of Asia-Pacific Rebalancing**

### **(1) Rebalancing and Building Stronger Ties with the Region’s Nations**

The Obama administration, from its start, has clearly shown its stance of placing

importance on the Asian Pacific region. In her speech in Hawaii in January 2010, Secretary of State Hillary Clinton clearly expressed the US policies of strengthening bilateral and multilateral relations with not only its allies but with other partners and the emerging nations of the region; the importance of strengthening engagement with ASEAN and other regional institutions; and the goal of building a multilayered network of ties. Following in this line, Kurt Campbell, assistant secretary of state for East Asian and Pacific affairs, reiterated the importance for the United States to strengthen engagement in the region in not only the diplomatic and military arenas, but in economy as well, and the US intention to aggressively carry out diplomatic activities. Amid such circumstances, speeches and papers from 2011 through 2012 by Obama and other top officials have indicated the policy to pivot foreign and security policies toward the Asia-Pacific and invest more diplomatic, military, economic, and other resources in this region, using the key words, “Asia-Pacific rebalancing.”

This announcement seems to be aimed in part at allaying the security concerns of the Southeast Asian countries involved in the territorial disputes in the South China Sea that have flared up from China’s assertive behaviors since 2010. At the same time, the Obama administration is sending a strong signal for Beijing to restrain its assertive behavior in the region. This rebalancing policy does, of course, take into consideration the long-term impact of China’s economic and military rise upon regional stability. Therefore, it is not just a military strategy, but also a comprehensive policy that includes enhancing the US presence in the region, building the military capacities of its allies and partners, and supporting regional institutions and countries to develop a mechanism for ensuring observance of international rules by strengthening its partnerships with them. The policy expressed as Asia-Pacific rebalancing incorporates an aspect of continuity with the direction of traditional policies, beginning with the strengthening of ties with allies such as Japan, Australia, and South Korea. But of particular note here are the efforts taken to strengthen strategic relations with the countries of Southeast Asia and South Asia, such as the Philippines, Vietnam, Indonesia and India.

The Obama administration is advancing efforts to strengthen relations with its old ally, the Philippines. The year 2011 marked the sixtieth anniversary of the signing of the Mutual Defense Treaty between the two nations. In late January 2012, the second Bilateral Strategic Dialogue was held in Washington, DC, following the first held in November the previous year. Discussions were

conducted on a wide range of issues including: (1) streamlining processes for joint military exercises; (2) defense and security cooperation including support toward the Philippine Coast Guard; (3) cooperation on trade issues; (4) support for law enforcement such as for nonproliferation and antidrug trafficking measures; and (5) regional cooperation centering on ASEAN. This was followed by the visit to Washington by Philippine Foreign Secretary Albert del Rosario and Defense Secretary Voltaire Gazmin on April 30 for the first 2+2 ministerial meeting between the United States and the Philippines.

On the agenda at this meeting were bilateral military cooperation; the South China Sea disputes and other regional concerns; and economic cooperation. The joint statement announced after the talks articulated common strategic objectives including: (1) increase cooperation in multilateral frameworks centering on ASEAN; (2) respect international rules as reflected in international law such as the UNCLOS, including the freedom of navigation; (3) strengthen cooperation for humanitarian assistance and disaster relief (HA/DR); and (4) promote nuclear disarmament, nuclear nonproliferation, and peaceful uses of nuclear energy.

The joint statement also touched on security partnership and raised matters including the two parties' intentions to: (1) cooperate in building the Philippines' maritime security capabilities; (2) review joint exercises and training activities so that they contribute to the achievement of common objectives; (3) support the National Coast Watch System and expand joint intelligence, surveillance, and reconnaissance (ISR) activities to respond to various situations in the region; and (4) maintain cooperation with respect to the protection of cyberspace and enhance the resilience of critical infrastructure to counter cyber threats. Defense cooperation between the two nations was also taken up at the meeting held between Panetta and Gazmin in June, when they were both in Singapore to attend the International Institute for Strategic Studies (IISS) Asia Security Summit (Shangri-La Dialogue). They discussed ways to increase bilateral cooperation and strengthen the US presence in the region. Immediately following this meeting, Army General Martin Dempsey, chairman of the Joint Chiefs of Staff (JCS), visited Manila and met with President Benigno Aquino III and national defense officials for an exchange of views on a broad range of issues including maritime security.

On June 8, Aquino met with Obama at the White House, and expressed his position of welcoming the US strategic focus and rebalancing in the Asia-Pacific region, as well as active US participation in ASEAN-centered regional multilateral

frameworks. In this meeting, the two leaders agreed to expand efforts to enhance joint military capabilities in problem areas such as maritime security, maritime domain awareness, and HA/DR.

The Obama administration is also actively engaged in strengthening ties with Vietnam. Seventeen years have passed since the normalization of diplomatic relations between the two countries in 1995. On June 4, 2012, Panetta visited Vietnam and conferred with Vietnamese Defense Minister General Phuong Quang Thanh. After confirming the promotion of military exchange based on the memorandum of understanding on defense cooperation signed the previous year, the two men agreed to expand cooperation in the five areas of high-level dialogues, maritime security, search and rescue operations, peacekeeping operations, and HA/DR. On the day before this meeting, Panetta had visited Cam Ranh Bay, the former location of a key US military base during the Vietnam War. Onboard the USNS *Richard E. Byrd*, a Military Sealift Command supply ship moored in the harbor, he expressed his strong anticipations for deeper bilateral relations concerning maritime security, saying that access for US supply ships to Cam Ranh Bay and its repair facilities is important not only for logistical reasons but for its political implications. Regarding strategic collaboration for security, when Assistant Secretary of State Kurt Campbell visited Hanoi in February, he clarified the US intention to first build more trust and confidence between the two countries by having military-to-military discussion and exchange, and while doing so, gradually expand that kind of cooperation.

The Obama administration is also engaged in enhancing relations with Indonesia, which, as a major country in the Southeast Asia region, wields significant influence in ensuring the unity of ASEAN. Following agreement on a comprehensive partnership agreement in November 2010, both countries are implementing comprehensive dialogues on areas including trade, investment, education, energy, environment, and security. Clinton met with Indonesian President Susilo Bambang Yudhoyono and Foreign Minister Marty Natalegawa on September 4, 2012, during her visit to Jakarta. The two foreign ministers discussed ASEAN and US relations, the East Asia Summit (EAS), the situation in the Korean peninsula, and maritime security issues including the South China Sea issues. Two weeks later, Marty Natalegawa visited Washington, DC, met with Clinton, and participated in the US-Indonesian Joint Commission Meeting, the third to take place since the first meeting in 2010. Here, the United States

acknowledged Indonesia's role in ASEAN and the South China Sea issues and stressed again the importance of a peaceful solution to the issues.

Since 2009, the Obama administration has been continuing strategic dialogues with India, which is regarded as an important rising regional power. The DSG of January 2012 not only emphasized the importance of the alliances, but also underscored that it should expand cooperation with emerging partners throughout the region, with notable mention of India in this context. Here, anticipations that “[India will] serve as a regional economic anchor and provider of security in the broader Indian Ocean region” as well as the US stance of placing importance on the long-term partnership were expressed. On June 5, Panetta visited India and met with Prime Minister Manmohan Singh and Defence Minister A.K. Antony. Rebalancing US military power to the Asian-Pacific and the importance of bilateral defense relationships and efforts to expand upon this were discussed. Panetta called for further expansion of security cooperation while noting that the United States and India share many of the same values and that in 2011 the US and Indian military forces conducted more than fifty joint exercises, which have increased in scope and complexity over the years. He also noted that there is a robust exchange program between the two militaries.

On June 13, the third US-India strategic dialogue was held in Washington, DC. In talks with Indian Foreign Minister S.M. Krishna, Clinton, while stating that “the strategic fundamentals of our relationship—shared democratic values, economic imperatives and diplomatic priorities—are moving us closer to an understanding and a trust,” highly appraised the progress of strategic relations with India such as cooperation in security and defense, which include discussions on maritime security issues and cyber security. In late July, Deputy Defense Secretary Ashton B. Carter visited Delhi and met with Antony and Krishna and discussed defense cooperation. Along with aiming to strengthen US-Indian relations, the Obama administration is also holding expectations on the burgeoning relationship between India and Australia, centering on defense cooperation. The joint communiqué of the Australia-United States Ministerial Consultation (AUSMIN) held in Perth in November 2012 included expectations on progress in India-Australia relations. Moreover, in her speech on the previous day, while using the conceptual expression “Indo-Pacific,” Clinton stressed that the United States welcomes stronger relations between the Indian and Australian militaries, including their holding of joint exercises.

The improvement of relations with Myanmar can be raised as one notable trend in the US Asia-Pacific policy. Traditionally, the United States has deeply disapproved of the State Peace and Development Council (SPDC)—the military regime established by a coup d'état in the late 1980s—for strongly restricting the political activities of the National League for Democracy (NLD), the opposition critical of the regime, and its leader, Aung San Suu Kyi. However, following her release from house arrest in November 2010 by the SPDC, the government of civilian President Thein Sein, which replaced the SPDC in March 2011, recognized the participation of the NLD in the by-elections held on April 1, 2012, and also released over 500 political prisoners. The Obama administration is praising Myanmar's posture for political and economic reform, and its efforts toward human rights and democratization, and is gradually softening its traditional tough stance toward the country.

On May 17, Obama announced that the United States intends to lift its economic sanctions against Myanmar. At the same time, he appointed Derek J. Mitchell, special representative and policy coordinator for Burma, as the ambassador to the country, a post that had not been filled since the 1990s. On July 11, the president announced that he had ordered the easing of US economic sanctions, centering on finance and investment activities. The sanctions had been in effect since the late 1990s. In September, following their meeting with Aung San Suu Kyi during her visit to Washington, Obama and Clinton met with Thein Sein, who was in the United States to attend the UN General Assembly. Obama, along with Clinton, then visited Myanmar at the end of November, and met with Thein Sein and Aung San Suu Kyi there. In the speech following the meeting with Thein Sein, Obama, while using the name “Myanmar”—traditionally avoided by the United States from its position of criticizing the military government—expressed his anticipations for the further advancement of efforts by the Thein Sein government for democratic and economic reform, and for further cooperation in curbing the



**President Obama and Secretary of State Clinton meeting with Aung San Suu Kyi during their visit to Myanmar (November 19, 2012)** (Official White House Photo by Pete Souza)

proliferation of weapons of mass destruction. Since this kind of stance assumes, however, that progress will be made in Myanmar's political and economic reforms, the Obama administration's future position is likely to be affected by whether the country makes efforts to overcome issues concerning its ethnic minority and democratic reform.

## **(2) Shift to the Asia-Pacific: Enhancing Military Presence in Southeast Asia and the Indian Ocean**

US force posture in the Asia-Pacific is also under review as a part of the rebalancing to this region. Emphasizing "geographical distribution," "operational resilience" and "political sustainability," the United States is said to be trying to build a force posture that incorporates these features in the Asia-Pacific. Within this review of force posture in the region, importance is placed on strengthening US presence in Southeast Asia and the Indian Ocean. In June 2012 at the Shangri-La Dialogue, Defense Secretary Panetta stressed this point, saying, "While strengthening our traditional alliances in Northeast Asia and maintaining our presence there, as part of this rebalancing effort we are also enhancing our presence in Southeast Asia and in the Indian Ocean region."

A notable example of this strengthening of military presence in Southeast Asia and the Indian Ocean is the rotational deployment of Littoral Combat Ships (LCS) to Singapore. When Panetta attended the Shangri-La Dialogue in June, a meeting was staged with Singapore Defense Minister Ng Eng Hen in which an in-principle agreement was reached on the deployment of up to four LCS to Singapore on a rotational basis. The LCS are homeported in San Diego on the west coast of the United States, but will be deployed to Singapore for a period of six to ten months. The LCS crew will not live on shore facilities in Singapore, but on board the LCS. During the deployment to Singapore, the LCS are scheduled to be used for military exchange activities, which include making port calls at countries throughout the region. It is said that this deployment will strengthen response capabilities in everything from HA/DR to battle.

The rotational deployment of the LCS to Singapore is also an example of the strengthening of naval presence throughout the Asia-Pacific region. In the address at the Shangri-La Dialogue, Panetta spoke about strengthening naval force. In the coming year, old navy ships will be retired, but "we will replace them with more than forty far more capable and technologically advanced ships." Moreover, as a

part of the strengthening of capabilities in the Asia Pacific, he stated that by 2020 the Navy plans to re-posture its forces from the current 50/50 percent split between the Pacific and Atlantic to 60 percent in the Pacific (including six aircraft carriers) and 40 percent in the Atlantic.

At a press conference on June 27, Adm. Jonathan Greenert, chief of naval operations, clarified the meaning of the 60 percent in the Pacific announced by Panetta as being the percentage of ships that will be homeported in the area from the Asia-Pacific through to the Mississippi River. Greenert also touched upon the change in number of forward-deployed ships, announcing that in the West Pacific this will be a maximum of fifty ships in fiscal 2013, fifty-five in fiscal 2017, and fifty-eight in fiscal 2020, while in the Middle East this is scheduled to be twenty-five ships maximum in fiscal 2013, and thirty-four from fiscal 2017. When the number of ships scheduled for deployment to the West Pacific and Middle East are compared, the latter region shows a larger increase both in number and percentage. Greenert followed with an explanation for this, stating that the plan is to deploy *Arleigh Burke*-class guided missile destroyers (DDG) to areas such as the Asia Pacific. The *Arleigh Burke*-class destroyer had been deployed to the Middle East for counter-piracy operations, but it is now planned to use a LCS or an Afloat-Forward Staging Base (AFSB)—a modified cargo ship that can support operation of rotary-wing/short-takeoff-and-landing aircraft and small vessels—for this mission.

The policy to increase Marine Corps presence in the Asia-Pacific region was also announced. The Marines have, from before, been committed to activities in this region such as joint exercises and training with each of the nations, as well as disaster relief. On May 30, 2012, Deputy Defense Secretary Carter gave a speech at the American Enterprise Institute and announced that in accordance with policy outlined in the DSG, there will be a reduction in Marine Corps end strength overall, but reflecting the wind-downs in Afghanistan, it is planned to increase force deployment in East Asia. Furthermore, Gen. James F. Amos, commandant of the United States Marine Corps, elaborated on Carter's statement in a speech given at the National Press Club in Washington, DC on August 28, 2012, and clarified that there will be 22,000 Marines in the Pacific Ocean west of the International Dateline when the planned realignment is completed.

Concrete actions are already in motion for bolstering the Marine Corps in the Asia Pacific. The Marine Corps had maintained its presence in the West Pacific

under the Unit Deployment Program (UDP), an arrangement that rotates combat units (infantry, artillery, and aviation) based in Hawaii and California to Okinawa for about a six-month period. Since March 2005, the program was continued, but in a reduced capacity, due to the increasing force requirements in Iraq and Afghanistan. But with the conclusion of these operations, deployment through UDP was resumed. Already in June 2012, the 2nd Battalion, 3rd Marine Regiment in Hawaii was deployed through UDP to the 4th Marine Regiment in Okinawa.

In addition, as part of the increased presence of the Marine Corps in the Asia Pacific, the United States is advancing a plan for establishing the rotational presence of the 2,500-strong Marine Air-Ground Task Force (MAGTF) to Darwin in northern Australia (see the following section for details on the MAGTF). During rotational deployment to Darwin, the Marines are expected to engage in joint exercises and other activities in Southeast Asia. This can be taken to mean a stronger US presence in the region. Amos explains that this change in Marine Corps posture “sends a very strong signal that the United States is very interested in the Asia-Pacific.”

With regard to cooperation with Australia, greater access by US military aircraft to the Royal Australian Air Force facilities in the country’s north is also planned. This initiative was announced along with the MAGTF rotational deployment plan during Obama’s visit to Australia in November 2011. It will involve more regular movements of US military aircraft, such as bombers, tanker aircraft, and surveillance aircraft, including Global Hawk UAVs, into and out of air force bases in northern Australia.

Greater US naval access to HMAS Stirling, located near the city of Perth on Australia’s west coast, was also raised in the discussions between the United States and Australia as a future topic to address. It is anticipated that greater use of this base located on the Indian Ocean by US naval vessels could help strengthen access to the Indian Ocean, which, compared to the strategic importance of the region, has few bases supporting US military activities. Adm. Robert F. Willard, commander, US Pacific Command, in a prepared statement before the Senate Armed Services Committee (SASC) on February 28, 2012, explained that this deployment of US forces to Australia is a redistribution of “postured forces closer to Southeast Asia and South Asia, in order to more efficiently meet the force presence and response demands of those Asia Pacific sub-regions.”

A major characteristic of this time’s strengthening of Asia-Pacific presence is

that the United States intends to do this through means that will not rely on having permanent bases. The DSG clarifies this policy when it touches on strengthening relationships with friendly powers, stating, “we will develop innovative, low-cost, and small-footprint approaches to achieve our security objectives, relying on exercises, rotational presence, and advisory capabilities.” Measures to increase presence in the abovementioned Indian Ocean and Southeast Asia are none other than this “small-footprint” approach. It is believed that pursuit of this kind of approach not only avoids costs needed to maintain a permanent base, but also gives due consideration to the circumstances of friendly nations that wish for stronger security relations with the United States but take a negative stance on having a permanent US military base from domestic political considerations.

Elaborating further, it can be seen that US initiatives to strengthen security ties with the region’s nations are not unrelated to securing access for possible future outbreaks of disputes. The Joint Operational Access Concept (JOAC) released by the JCS in January 2012 examines policies for response to A2/AD threats, and in this it touches upon the importance of peacetime engagement to secure access before the outbreak of disputes. The JOAC maintains that the effort to secure advantageous access conditions is part of a larger effort to improve security cooperation in the region, stating, “Even seemingly unrelated missions such as humanitarian assistance can contribute indirectly to securing access by engendering goodwill in the region.” This is apparently based on the same understanding as the Quadrennial Defense Review (QDR) of 2010, which stresses the relevance of long-term presence of US forces abroad based on forward-stationing and rotational deployment, noting that, “We cannot simply ‘surge’ trust and relationships on demand.” Taking these perspectives into account, the current promotion of security cooperation with the Asia-Pacific nations can be seen as a multi-faceted effort, which also has response to A2/AD threats in mind.

### **(3) Changes in Force Posture in the Asia-Pacific Region and the Distributed MAGTF Concept**

The distributed deployment of the MAGTF in the Asia-Pacific is an effort advanced within the review of force posture in the region. The hub of this plan is relocation of the Marine Corps in Okinawa. On April 27, 2012, the joint statement of the Security Consultative Committee (“2+2”) was released, announcing that adjustments will be made to plans outlined in the 2006 United States-Japan

**Table 8.1. Planned MAGTF distribution in the Asia-Pacific**

Location	Size (personnel)	Units
Okinawa	10,200	III MEF HQ, 1st Marine Aircraft Wing HQ, 3rd Marine Logistics Group HQ, 31st MEU to remain on Okinawa
Guam	5,000	3rd MEB HQ, 4th Marine Regiment to be relocated from Okinawa
Hawaii	2,700 (additional)	3rd Marine Regiment, Marine Aircraft Group 24, and Combat Logistics Battalion 3, already stationed in Hawaii
Australia	2,500	US plans to rotationally deploy a MAGTF to Darwin in Northern Australia. As a first step, Fox Company, 2nd Battalion, 3rd Marine Regiment in Hawaii, deployed to Darwin from April to September 2012.

Sources: Compiled by the author from US Department of Defense materials.

Roadmap for Realignment Implementation (Realignment Roadmap). Although the Roadmap had 8,000 Marines relocating from Okinawa to Guam, the joint statement indicated that a total of approximately 9,000 Marines will be relocated from Okinawa to locations outside of Japan, and that the authorized strength of the US Marine Corps forces in Guam will be approximately 5,000 personnel. In addition, the joint statement clarified that the United States plans to locate the MAGTF in Okinawa, Guam, and Hawaii.

Meanwhile, as mentioned above, the United States is going ahead with plans to rotationally deploy a MAGTF to Darwin in northern Australia. Based on this plan, Fox Company, 2nd Battalion, 3rd Marine Regiment in Hawaii was the first to be rotationally stationed for roughly six months from April to September 2012. (During the same period, the rest of the 2nd Battalion was deployed through the UDP to the 4th Marine Regiment in Okinawa.) Similar in nature to this 2012 rotation, in 2013 as well, one infantry company (approximately 200 personnel) is scheduled for a six-month deployment from March or April, avoiding the monsoon season. Over the coming years the United States intends to establish a MAGTF rotational presence of 2,500 personnel. As the scale of deployment gradually increases, it appears that forces from other than this time’s 3rd Marine Regiment in Hawaii will be deployed to Australia. As a result of such realignment, the MAGTF will be distributed in four locations in the Asia-Pacific—Okinawa, Guam, Australia, and Hawaii (see Table 8.1). (The United States also says that it is negotiating with the Philippine government to establish an arrangement similar to that with Australia.)

The MAGTFs of discussion here are the “Marine Corps’ principal organization

**Table 8.2. Types of MAGTFs**

<b>Designation</b>	<b>Commanding Officer</b>	<b>Size and Composition</b>	<b>Characteristics</b>
MEF	Lieutenant General	<ul style="list-style-type: none"> <li>• More than 45,000 personnel</li> <li>• Normally built around a Marine division, a Marine aircraft wing, and a Marine logistics group</li> <li>• 3 standing MEFs in California, North Carolina, and Okinawa</li> </ul>	<ul style="list-style-type: none"> <li>• Marine Corps' principal warfighting organization, that deals with larger crisis and contingency</li> <li>• Capable of missions across the full range of military operations, including amphibious assault and sustained operations ashore in any environment</li> <li>• Can sustain operations up to 60 days</li> <li>• Can serve as JTF headquarters</li> </ul>
MEB	Brigadier General	<ul style="list-style-type: none"> <li>• 8,000 to 18,000 personnel</li> <li>• Normally built around a reinforced infantry regiment, and includes a composite Marine aircraft group, and a combat logistics regiment</li> </ul>	<ul style="list-style-type: none"> <li>• Capable of rapid deployment and employment via amphibious shipping (normally 17 amphibious ships), strategic air/sealift, maritime pre-positioning force assets</li> <li>• Capable of amphibious assault and sustained operations ashore</li> <li>• MEB HQ is embedded in a MEF and its commanding officer is dual-hatted with MEF deputy commanding general</li> <li>• Can serve as JTF HQ with augmentation</li> <li>• Can sustain operations for 30 days</li> </ul>
MEU	Colonel	<ul style="list-style-type: none"> <li>• Approx. 2,200 personnel</li> <li>• Consists of a reinforced infantry battalion, a composite aviation squadron, and task organized combat logistics element</li> </ul>	<ul style="list-style-type: none"> <li>• Forward-deployed MEUs embarked aboard amphibious ready groups (ARG)</li> <li>• Capable of amphibious operations, crisis response, limited contingency operations</li> <li>• Can sustain operations for 15 days</li> </ul>
SPMAGTF	—	<ul style="list-style-type: none"> <li>• Small scale, usually MEU or smaller</li> </ul>	<ul style="list-style-type: none"> <li>• Task organized for specific mission, operation, or regionally focused exercise</li> <li>• Localized missions unsuitable for response by MEF, MEB, or MEUs</li> </ul>

Sources: Compiled by the author from Joint Chiefs of Staff, *JP 3-02 Amphibious Operations* and Headquarters, US Marine Corps, *Concepts and Programs 2011*.

for conducting missions” across the range of military operations, and are described as being “balanced combined-arms force packages” containing organic command, ground, aviation, and logistics elements. The MAGTFs can be task organized as the Marine Expeditionary Force (MEF), Marine Expeditionary Brigade (MEB), Marine Expeditionary Unit (MEU), or Special Purpose MAGTF (SPMAGTF)

## Marine Corps Operating Concept and the MV-22B Osprey

In World War II, the US Marine Corps conducted many fierce amphibious assault operations, including Tarawa, Iwo Jima and Okinawa. But today, even in projecting power from the sea, the Marine Corps does not cling to the traditional form of such operations, which requires the establishment of a force beachhead and the projection of combat power inland from there.

Rather, as is noted in the Marine Corps' capstone doctrine, *MCDP 1 Warfighting* (1997), since the end of the 1980s the Marine Corps has adopted maneuver warfare as its warfighting philosophy. This "seeks to shatter the enemy's cohesion through a variety of rapid, focused, and unexpected actions which create a turbulent and rapidly deteriorating situation with which the enemy cannot cope." Here, importance is placed on speed. By acting more rapidly than the enemy, the "ultimate goal" is "panic and paralysis, an enemy who has lost the ability to resist." It also states that enemy strength is avoided and efforts are focused against enemy weakness. *Operational Maneuver from the Sea*, a concept paper released by the Marine Corps in 1996, applied this approach of maneuver warfare to operations in littoral areas important for the Marines, and set forth the policy of using the sea as maneuver space.

As concerns emerged over the threat of A2/AD capabilities in the hands of potential adversaries, the idea of using the sea as operational maneuver space was given the added significance of overcoming such threats. The *Marine Corps Vision and Strategy 2025*, released in 2010, indicated the policy of using the sea as both maneuver space and as a base of operations to overcome anti-access capabilities. In *Gaining and Maintaining Access: An Army-Marine Corps Concept* (GMAC) prepared jointly between the Marine Corps and Army, and released in March 2012, "exploit the sea as maneuver space" was raised as an idea enabling operations in A2/AD environments. One concrete example of this is "ship-to-objective maneuver" (STOM). In a traditional amphibious assault, the forces aim to reach inland objectives after first securing a beachhead and gathering military forces and goods. But STOM aims to "[conduct direct maneuvers from over the horizon] to achieve operational objectives deep inland, while avoiding the establishment of an 'iron mountain' of logistics at the beachhead." It is argued that STOM will provide more operational advantages since there is no need to limit landing to beaches and because tactical options will increase as well as operational surprise.

The Marine Corps concept paper *Ship-to-Objective Maneuver* released in 2011 raises the tilt-rotor aircraft as one platform that is key to achieving STOM. Emphasized here are the aircraft's speed, range, and carrying capacity. It is believed that these features of the tilt-rotor will allow direct strikes at operational objectives deep inland—the basis of STOM—which were impossible with conventional rotary- or fixed-wing aircraft. The aforementioned *Marine Corps Vision and Strategy 2025* also indicated that, "The greater range, speed, and agility that tilt-rotor technology brings are driving new concepts of operation to the MAGTF."

When the tilt-rotor MV-22B is compared to the CH-46 E Sea Knight, which it is scheduled to replace, it can be seen that the MV-22B greatly exceeds the CH-46E in performance. Compared to the CH-46E's combat radius of about 140 kilometers (with twelve passengers), the MV-22B has a radius of approximately 600 kilometers (with twenty-four passengers). Moreover, it has an aerial refueling capability that the CH-46E does not possess, and with one refueling, its combat radius increases to up to some 1,100 kilometers. The MV-22B also has a maximum cruise speed of about 520 kilometers per hour compared to the 270 kilometers per hour of the CH-46E.

The MV-22B has been deployed in actual combat in Iraq and Afghanistan since 2007. On April 8, 2011, six MV-22Bs deployed with the 26th MEU in the Mediterranean conducted split-site operations to augment air operations in Afghanistan. After completing their mission there, while receiving aerial refueling, they flew about 6,300 kilometers from Afghanistan to return to the amphibious assault ship USS *Kearsarge* in the Mediterranean, which was engaging in operations against Libyan forces. This illustrates the high performance on the MV-22B.

according to the size and character of the situation that requires response. One of these MAGTF organizations is taken when the Marine Corps conducts an operation (see Table 8.2 for details).

If the MAGTFs, the “principal organizations” in Marine Corps operations, are distributed in four locations in the Pacific region, it would become possible to respond more flexibly to various situations. The *Marine Corps Operating Concept* released in 2010 states in reference to the global realignment of the Marine Corps that, “Reduction in overseas bases has created potential opportunities to position Marine Corps elements in locations where a global gap in coverage may presently exist. Future movement of selected Marine Forces from Okinawa to Guam and Hawaii provide greater global distribution of Marines.” In the comments by Secretary Panetta in the *U.S. Force Posture Strategy in the Asia Pacific Region: An Independent Assessment*, prepared by the CSIS upon commission by the DOD (hereafter referred to as “CSIS Independent Assessment”), he explains that distributing the MAGTFs to four locations “ensures that individual MAGTFs can respond rapidly to low-end contingencies (e.g., humanitarian assistance/disaster relief, counter-piracy, etc.) while also ensuring that the [distributed] force can aggregate quickly to respond to high-end contingencies.”

A point underscored in this distribution of the MGTFs is that this posture will not just facilitate response in times of emergency, but will help strengthen ties

with nations of the region through activities such as joint exercises and training. The MAGTF, especially the MEU usually navigates and conducts operations throughout areas of responsibility aboard amphibious ships. The 31st MEU in Okinawa has, in fact, participated from before in activities in the countries of Southeast Asia. In addition, the Marine Corps, with its amphibious capabilities, can serve as a model for modernization of the military forces of the region's nations, surrounded by water. Because of this, the DOD believes that it is perfect for strengthening relations with these nations. This is also in line with the DSG policy to strengthen the military capacity of US allies and partners.

However, only a general framework of this distributed MAGTF concept has been revealed. Its projected size or force structure remains unknown, and the military strength required for configuration as a MAGTF has not yet been secured at each of those locations. In particular, in order to achieve the concept of having each of the MAGTFs engage in low-end situations and joint exercises in normal times, and aggregating as required in times of large-scale disputes, additional lift will be required to support those operations. But as Panetta admits in his comments attached to the CSIS Independent Assessment, developing a new concept of operations and securing lift capabilities are tasks that must be addressed going forward.

#### **(4) Seeking Stable Channels for Dialogue with China**

Relations with China hold a crucial position in the Obama administration's Asia-Pacific policy. At the start of the Obama presidency in 2009, high expectations were held for China's active role in resolving regional and global challenges. Against this backdrop, the administration had indicated that it places importance on cooperative relations with China, but confronted by China's half-hearted stance toward the financial crisis, climate change, and other global issues, it gradually began to change its policy line. An increasing sense of wariness against China has been growing in the administration, especially since 2010 due to China's notable hard-line stance on territorial disputes in the South China Sea, coupled with the country's lack of clarity of its strategic intentions in rapidly building up military capacity. While friction in the political and military arenas has been surfacing, there is no disputing the fact that the two countries still have a close interdependent relationship in the economic arena, centering on trade and finances. Amid this complex relation with China, the United States is placing weight on building stable channels for dialogue.

In fact, on February 14, 2012, President Obama conferred with Chinese Vice President Xi Jinping, viewed to be China's next head of state, at the White House. From May 3, the Fourth Round of the US-China Strategic and Economic Dialogue was held over a two-day period in Beijing with discussions conducted on a wide range of fields. As one mechanism of this dialogue, the China-US Strategic Security Dialogue was held for the second straight year. Among those participating in the talks were William Burns, US deputy secretary of state; James Miller, acting undersecretary of defense for policy; Zhang Zhijun, Chinese vice foreign minister; and Ma Xiaotian, then deputy chief of the general staff of the People's Liberation Army. It was agreed that the two sides would continue working together to develop the mechanism. In early September, Secretary of State Clinton, on a visit to Beijing, met with Foreign Minister Yang Jiechi, and discussed issues concerning Syria, Iran's nuclear ambitions, North Korea, and also the South China Sea.

A noteworthy point here is that in addition to these talks on the diplomatic front, there are also sustained exchanges between the US and Chinese militaries. On May 7, Gen. Liang Guanglie, Chinese minister for national defense, visiting the United States for the first time in nine years in this capacity, held separate talks with Panetta and Burns. The discussions centered on US national defense strategy including issues of security in cyberspace. A string of military exchanges had been suspended or postponed following China's angry reaction to US arms sales to Taiwan, but following this meeting, it was announced that the two nations had agreed to establish "a healthy, stable, reliable, and continuous mil-to-mil relationship" and to place importance on dialogue mechanisms such as defense consultative talks, defense policy coordination talks, and the Military Maritime Consultative Agreement for deepening mutual understanding and trust. On September 17, Panetta visited China during his tour of Asia and met with Xi Jinping and Liang Guanglie, where they agreed on the importance of military relationships. For the development of US-China military dialogue, it would now be vital to have such dialogue lead to concrete results such as concerted action for HA/DR, a large concern of the United States, and the establishment of a risk management mechanism.

On the other hand, the Obama administration is growing increasingly vigilant over China's enhanced military capabilities including its so-called A2/AD capacity and conduct concerning the South China Sea disputes, where the hard-line stance

it has taken over recent years has been drawing attention. In early July, during her attendance at the ASEAN Regional Forum (ARF) Ministerial Meeting, Clinton expressed strong concern over “worrisome instances of economic coercion and the problematic use of military and government vessels,” virtually criticizing the actions taken by Chinese ships near Scarborough Shoal. In addition, in late July, when China newly established the prefecture of Sansha in Hainan Province, which administers the Spratly Islands and other islands, US State Department spokesperson Victoria Nuland immediately expressed concern at a press conference. It should be recognized that US reconfirmation of its posture to strengthen strategic collaboration with allies and friendly nations in Southeast Asia as a part of its Asia-Pacific rebalancing policy from the end of 2011 was due not only to the importance of the region and bilateral relations with these nations, but that it was also strongly motivated by China’s behavior in the South China Sea.

In a speech given in November 2012, National Security Advisor Thomas Donilon, after first stating that the US-Chinese relationship “has elements of both cooperation and competition. Our consistent policy has been to seek to balance these two elements in a way that increases both the quality and quantity of our cooperation as well as our ability to compete,” expressed the US stance to manage disagreements and competition in a healthy manner with China and to encourage the country to take responsibilities in helping to address global issues such as Iran’s and North Korea’s nuclear and missile programs.

##### **(5) Challenges Facing the Rebalancing to the Asia-Pacific**

Continuity of the Asia-Pacific policy traditionally pursued by the United States is a notable feature of the rebalancing to the Asia-Pacific. But it could be said that one change from the past is the official statement that greater resources than before will be invested in the Asia-Pacific—this includes US force posture revision and active implementation of diplomacy. It should also be noted, however, that one significant aspect of this shift is that the United States, confronted by the changing reality of this region’s growing importance against the backdrop of China’s economic and military rise, was not able to do otherwise. In the second-term of the Obama administration several challenges remain to be addressed for this policy to bear fruit.

The first issue is whether the resources necessary to sustain stronger engagement in the Asia-Pacific can be secured. The impact of defense spending cuts from

fiscal problems and sequestering must be kept to the minimum and a substantial budget must be secured as well by the DOD and other related agencies. In addition, just as important as this fiscal aspect is the human aspect. Secretary Clinton had played a major role in the US rebalancing to the Asia-Pacific. Following her departure from the administration, it remains to be seen if John Kerry, the newly appointed secretary of state, and his foreign relations team, will continue to maintain this policy. Moreover, as there are limitations to the resources that can be employed by the United States alone, it would be important for the United States to strengthen various forms of cooperation with its allies.

The second issue concerns the possibility of further improvements in US relations with China. The Asia-Pacific rebalancing policy has heightened Chinese anxiety about possible military or political pressure by the United States. In order to maintain a stable relationship between China and the United States it would be essential for the two countries to constructively manage their differences and competition while avoiding the manifestation of misunderstandings. This would make it necessary to restrain China's aggressive behavior on the South China Sea issues and find ways that will lead to the observance of international rules and codes.

The third issue is whether regional institutions centering on ASEAN can function effectively. As pointed out by Assistant Secretary of State Campbell that “[regional institutions] play a vital role in mobilizing common action for shared concerns,” the United States will probably continue active engagement with these institutions because they are essential for the peaceful resolution of regional issues such as the South China Sea disputes and for shaping international rules. However, many of the Southeast Asian nations are unable to ignore their economic ties with China, leaving a substantial possibility for disruption of ASEAN unity should disagreements intensify between the United States and China.

The fourth issue concerns how the United States will respond to issues outside the Asia-Pacific arena. As a global power, the United States cannot neglect the instability in the Middle East situation that is associated with Iran's nuclear ambitions, Syria's civil war, Israel's bombings of Gaza, and other concerns. Moreover, with the attack killing the US ambassador in Benghazi, Libya, on September 11, 2012, revealed to be a terrorist attack, focus was also placed on counterterrorism strategy. Regarding the Obama administration's “responsible withdrawal” from Afghanistan, it cannot be said for certain that operations will be

brought to a successful conclusion by 2014. A continuous rebalancing toward the Asia-Pacific could thus become difficult depending on the situation in the Middle East and other regions.

### **3. Initiatives for Maritime Security**

#### **(1) The South China Sea Disputes and Continuing Engagement with Regional Institutions**

Since 2010 the Obama administration has been showing an active interest in the territorial issues between some ASEAN nations and China in the South China Sea. Nonetheless, the United States has consistently maintained the position that it does not take sides in territorial disputes. With regard to the South China Sea disputes as well, it has repeatedly urged the claimants to work collaboratively and diplomatically to resolve disputes in a peaceful manner, with respect for international law. In keeping with this line, it is encouraging the ASEAN nations and other related parties to support the standard of conduct raised in the Declaration on Conduct of Parties in the South China Sea, which was agreed to between the ASEAN members and China in 2002, and to also formulate a code of conduct (COC) with legally binding powers.

A distinctive feature of the Obama administration's efforts in this matter is its focus on ASEAN and other regional multilateral frameworks. When the issues resurfaced in July 2010, Secretary of State Clinton, at the ARF, voiced the importance of such multilateral settings for the United States from the perspective of maritime security, including the securing of the principles of the freedom of navigation. Additionally, at multilateral conferences such as the EAS and ARF held in 2011, the United States welcomed the fact that maritime security including the South China Sea issues was taken up as one of the key topics on the agenda. These actions appear to illustrate that behind the Obama administration's focus on ASEAN and its multilateral framework are expectations for this platform to act as a receptacle for continuous engagement by the United States, which is not a claimant in the territorial disputes, while at the same time, presenting an opportunity for all players—small countries and large countries alike—to voice their opinions and allowing them to work together to establish the principles and mechanisms for a peaceful solution to the South China Sea issues.

On June 2, 2012, Defense Secretary Panetta, attending the Shangri-La Dialogue,

stated, "...it is very important that the ASEAN nations develop a dispute forum..." and indicated the importance of not just simply developing a COC, but for the ASEAN nations to form a mechanism that can allow for the resolution of disputes. Following this, on July 12, at the EAS foreign minister forum held in Phnom Penh, Clinton declared that in addition to disaster relief and nonproliferation, a key challenge would be maritime security. While clarifying the US stance of supporting ASEAN's efforts to resolve the South China Sea disputes, she voiced expectations toward ASEAN in uniting and demonstrating its leadership to finalize a COC for the South China Sea. Despite such expectations by the Obama administration, on July 13, the ASEAN foreign ministers failed to reach agreement on a joint communiqué during the ASEAN Ministerial Meeting consultations due to differing views by the member nations on the South China Sea issues. Nevertheless, following a diplomatic effort by Indonesia, they were able to release the Statement of ASEAN Foreign Ministers on ASEAN's Six-Point Principles on the South China Sea, announcing their commitment for the early conclusion of a COC, continued exercise of self-restraint and non-use of force by all parties, and peaceful resolution of disputes in accordance with the UNCLOS.

On November 20, President Obama attended the Seventh EAS held in Phnom Penh—his second straight time following participation in 2011. As an important issue aligning with energy cooperation, nonproliferation, HA/DR, and public health, he raised the issue of maritime security, and highlighted the importance of making progress on a binding COC in the South China Sea and respecting international law, including the freedom of navigation. Maritime security was also mentioned in the joint statement of the Fourth ASEAN-US Leaders' Meeting held on the day before the EAS, and the South China Sea issues was also included in the Chairman's Statement of the Twenty-first ASEAN Summit held on the eighteenth.

The Obama administration is also placing emphasis on regional institutions as mechanisms for peaceful solutions of issues other than just maritime security. These are ASEAN-centered institutions and include the EAS, ARF, and ASEAN Defence Ministers' Meeting Plus (ADMM-Plus). Notably, the ADMM-Plus, first held in 2011, is the mechanism for the highest ministerial-level talks and cooperation concerning challenges in defense and security. In response to US requests for this meeting be held more often, at the Sixth ASEAN Defence Ministers' Meeting (ADMM) held at the end of May 2012, it was agreed to shorten the interval and hold the ADMM-Plus meeting every other year starting

from 2013. This agreement to strengthen collaboration concerning defense and security issues through ADMM and ADMM-Plus was a development that was surely welcomed by the Obama administration.

## **(2) Efforts for UNCLOS Ratification**

Against the backdrop of increasing interest in maritime security, the Obama administration is making full efforts to ratify the UNCLOS, which the United States signed in 1994. Panetta, attending the Shangri-La Dialogue in Singapore on June 2, stated as the first of the four principles that the United States is committed to in its medium- and long-term approach in the Asia-Pacific region, is abiding by international rules and order, which emphasize the resolving of disputes without coercion or the use of force and the securing of open access by all to the shared domains of sea, air, space, and cyberspace. He clearly expressed his hope that the United States would ratify the UNCLOS.

On May 23, 2012, Clinton, Panetta, and General Dempsey, chairman of the Joint Chiefs of Staff, attended the hearing held by the Senate Foreign Relations Committee on the ratification of the UNCLOS, and insisted that the United States should ratify the convention. Their first reason for this argument was that the convention is an important source of law providing for the principle of freedom of navigation, which the United States has always placed high store on. In the sense that this principle guarantees US forces the freedom for worldwide access, it is extremely significant in terms of national security. For example, while the

convention limits territorial seas to twelve nautical miles, it affords other countries' military vessels passage rights through territorial seas and archipelagoes, and sets forth maximum navigational and overflight rights and freedoms for vessels and aircraft of countries other than the coastal states in their exclusive economic zones (EEZ), the high seas, and the air above. It is an important legal basis guaranteeing the rights necessary



**Chairman of the Joint Chiefs of Staff Dempsey, Secretary of State Clinton, and Secretary of Defense Panetta at a Senate Committee on Foreign Relations hearing concerning ratification of UNCLOS (May 23, 2012)** (DOD photo by US Navy Petty Officer 1st Class Chad J. McNeeley)

for freedom of activities by US military vessels and aircraft.

An important case in point is the incident in which Chinese vessels harassed an ocean surveillance ship, the USNS *Impeccable*. China justified its actions, arguing that the *Impeccable*'s military surveillance activities in waters seventy nautical miles off Hainan Island were equivalent to "marine scientific research," which, under the UNCLOS, requires prior authorization by the coastal state, and thus activities that have not been authorized by China, the coastal state, are prohibited. On the other hand, the United States criticized China's actions from the position that military surveillance activities in the EEZ are included in freedom of navigation, which is a provision of the convention and also a principle of customary international law, and on top of this, the *Impeccable* was conducting regular survey activities in the high seas. The current Law of the Sea does not have a provision on military surveillance activities in the EEZ to begin with, and few uphold China's assertions in general interpretations of the law. However, as long as the United States fails to ratify the UNCLOS, it can rely only on customary international law as its legal basis for justifying the US position. Accordingly, as norms such as the principle of freedom of navigation, which includes the interpretation of surveillance activities within the EEZ, are not necessarily "maintained forever," there is the possibility that future state practice could result in the establishment of norms that weaken the US position. In fact, amid mounting pressure by coastal states seeking to expand their jurisdiction over activities by foreign ships in their territorial waters and EEZs, because international rules governing the oceans, including the UNCLOS, are also in a formative process, the Obama administration is growing increasingly concerned over the possibility of state actions that could change international rules to the disadvantage of the United States.

The administration is thus attaching importance to the point that US ratification of the convention would protect the authority necessary for freedom of activities by US vessels and that this would, at the same time, also provide a solid legal basis on which the United States can make persuasive protests and arguments against actions and interpretations taken by other countries. Panetta, while maintaining that ratification of the UNCLOS would strengthen the US position in the key region emphasized in the national defense strategy (Western Pacific, East Asia, Indian Ocean, and South Asia), identifies an issue that arises if the convention is not ratified, stating, "How can we argue that other nations must abide by

international rules when we haven't joined the treaty that codifies those rules?" For the Obama administration, a major merit of UNCLOS ratification is that this would allow the promotion of a framework that maintains US influence. As Dempsey puts it, "...joining the Convention would provide a consistent and effective legal framework for opposing challenges to the rules-based international order in the maritime domain."

The second reason raised by the Obama administration for urging ratification of the UNCLOS is that this convention is important economically by guaranteeing the rights of US fishery, marine, and communication industries. Namely, the convention not only stipulates the rights of freedom of passage of fishery and commercial ships and the laying of fiber optic cables, but also includes provisions on rights for resource exploration and deep seabed mining on a broad extended continental shelf beyond the 200-nautical mile EEZ. The administration explains that these benefits can only be reaped if the United States ratifies the convention.

The third reason given is that the convention is still in the formative process. One example concerns the limits of the continental shelf, which will be significantly influenced by advice given by the Commission on the Limits of the Continental Shelf. If the United States is not a party to the UNCLOS it will not be able to participate in the formative process of international rules vital to not only the interests of US companies but the nation's security as well. On this point Clinton stated that, "As a party to the convention, we would have a much stronger basis to assert our interests" throughout the Arctic region.

It is very likely that the Obama administration will continue on with its position of ratifying the UNCLOS since the new secretary of state, John Kerry, supported its ratification when he was chairman of the Senate Foreign Relations Committee. But with deeply rooted opposition by the Republicans on the grounds that ratification will, on the contrary, restrict US sovereignty and freedom of action, and will not lead to changing China's attitude and unique interpretation of foreign vessel activity in its EEZ, it remains to be seen if this can be voted through Congress.