Chapter 8

Prospects of Multilateral Cooperation in the Asia Pacific: To Overcome the Gap of Security Outlooks

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The Asia-Pacific Security Outlook

This paper about the US security outlook in the Asia-Pacific region and the prospects of multilateral cooperation is being written in the immediate wake of President Obama's cancellation of his attendance at the October 2013 East Asia Summit (EAS) and Asia Pacific Economic Cooperation (APEC) meeting, due to political gridlock regarding the US federal budget and debt ceiling. This analysis also follows President Obama's speech at the United Nations General Assembly (UNGA) that essentially made no mention of the Asia-Pacific region.[1] In other words, this assessment is being written at a time of acute and increasing doubt and concern within the "beltway" and beyond about the future US role and commitments in the Asia-Pacific region; more specifically about the credibility and sustainability of the Obama Administration's announced "pivot" or "rebalance" of attention and resources to the region. Secretary of State John Kerry, who ably represented the US in the absence of President Obama, alluded to the current situation in a *Los Angeles Times* article in which he stated, "The rebalancing of our foreign policy priorities in Asia is neither a work completed nor an effort interrupted. It is a daily march of progress to be measured in miles and years, not yards and days. But the march is underway, and America and Asia are stronger because of it."[2] While clearly meant to promote confidence in the US commitment to Asia, the statement, by focusing on the long term (i.e., "progress to be measured in miles and years") runs up against a sense among some analysts in the US, and among many in the region, that the US does not

[1] The text of President Obama's speech is available at http://www.whitehouse.gov/the-press-office/2013/09/24/remarks-president-obama-address-united-nations-general-assembly

[2] John Kerry on Forging a Pacific Future, http://articles.latimes.com/2013/oct/18/opinion/la-oe-kerry-asia-20131018

have the luxury of space and time for "policy-treading," given the fundamental and rapid changes now underway in the region.

Apart from internal American dynamics shaping US policy towards the Asia Pacific, there are, of course, a number of regional dynamics that influence the US approach and are shaping the region's security outlook. Among the region's ongoing and historically significant structural changes are the rise of Chinese power and attendant evolution of Sino-American relations; the simultaneous emergence of multiple regional powers; the "thickening" of certain intra-regional relationships; the establishment of regional multilateral efforts; increasing and more complex intra-regional economic integration; proposals for differing formal regional trading arrangements; and the salience of more transparent domestic politics on elite choices for foreign policy and security management. More immediate developments include heightened tensions over maritime and territorial disputes; the return of great power politics and historical animosities, especially in northeast Asia; weakened coherence within ASEAN and pending choices by policy elites regarding the future foreign and security policy orientations of their countries (e.g., India, Indonesia, Japan) that are creating significant security variables.

Richard Haas, president of the Council on Foreign Relations, recently sketched out two alternative futures for Asia, while focusing on the downside risks. He notes, "In fact, the regional security climate has worsened in recent years. One reason is the continued division of the Korean Peninsula and the threat that a nuclear-armed North Korea poses to its own people and its neighbors. China has added to regional tensions with a foreign policy — including advancing territorial claims in the East and South China Seas — that would be described diplomatically as 'assertive,' and more bluntly as 'bullying.'"[3] He also specifically noted, "… Japan appears determined to extricate itself from many of the military constraints imposed on it …"[4] And he directly addressed the limits of multilateral cooperative approaches by writing, "the region is notable for a lack of meaningful regional agreements and institutions, particularly in the political-military and security spheres."[5]

Current US internal dynamics and structural, as well as recent, regional dynamics provide considerable basis for pessimism about the future role of the US

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[3] See Richard Haass, http://www.project-syndicate.org/commentary/on-asia-s-need-for-reconciliation-and-integration-by-richard-n--haass#LtvPmjtWJZlem4Jh.99

[4] Ibid.

[5] Ibid.

in the region and relatedly the region's security outlook. But before turning to a fuller consideration of the regional security outlook and the prospect of multilateral cooperation in the region, it would be useful to offer a "glass half-full" perspective, both about the US role in the region and about regional security dynamics, so that assessments are not based on "irrational despondence."

There are several reasons *not* to despair about the US role in the Asia-Pacific region. Most importantly, the US has many advantages vis-à-vis China, particularly as China rises. First, American political dysfunctions and funding shenanigans pale in comparison with the uncertain trajectories of China's polity, economy, and society. The sum total of US power in the years ahead will be higher than ever (not least because of America's energy future and deep foundational advantages for economic growth such as immigration, favorable demographics) — and multiplied by long-time allies and new friends who will seek to facilitate the maintenance of US pre-eminence in their own interests. Of course, US challenges should not be underestimated and China's overstated, but they also should not be equated. Second, US "asks" in the region are about rules and norms not sovereignty and territory — and are therefore inherently less threatening. Critics might deem US pursuit of rules and norms as an indirect intrusion into sovereignty (authoritarian regimes think so), but American approaches to order and leadership are not as disruptive as flimsy territorial claims. Third, American leadership constrained (mostly) by rules and norms is less worrisome to regional states than China's murky conception of order (e.g., "New Security Concept" or "Nine-dashed lines"?). US insistence on leadership and pre-eminence does not set off the same alarms as China's apparent preference for Beijing-led hierarchy, as indicated in its actions and words (such as Foreign Minister Yang Jiechi's claim that "China is a big country and other countries are small countries" to the ASEAN foreign ministers in Hanoi, July 2010). Acquiescence to hierarchical stability in the Asia-Pacific may have worked in a pre-modern age, but it will not work in a networked region that has both engaged and informed modern nationalisms.[6] Fourth, for the first time in a generation or more, the United States is engaged with every regional country and in a roughly equitable way across security, diplomacy, and commerce. No single ideological or security priority (e.g., the Cold War or GWOT) is skewing US regional policy. In essence, the balance of power, the balance of order and the balance of relations favor the United States. Finally, US

[6] This section draws directly from the author's earlier assessment, Satu Limaye, "The Asia-Pacific's 'Balance of Relations' and Dangerous Choices," https://csis.org/files/publication/Pac1359.pdf

government interest in the Asia Pacific region, contrary to conventional wisdom, has not evaporated. The House Armed Services Committee, for example, has announced that it will hold a series of hearings on the "rebalance" to Asia.[7] There is remarkable bipartisan support for a strong engagement and role for the United States in the Asia-Pacific. And this in an era when there are few areas, either domestic or foreign, of bipartisan consensus.

There is also an important, ballast-providing private sector element of the US pivot/rebalance that is too often overlooked. Unlike in earlier decades, the US has tremendous private sector ties across the wide region — not with just one country in the region such as Japan, which was the bulk of US Asia-Pacific commerce from roughly the mid-1960s until just a decade ago. Today, the US engages commercially from India eastwards. It is true that Japan remains in many areas the key US economic partner, but it is no longer the only partner, and others have been rising steadily.[8] The Asia-Pacific region now accounts for nearly a third of US goods and services exports, over 30% of US jobs from exports now rely on the region, investment has doubled in the past decade despite one of the more serious recessions in American history, some 64% of foreign students come from the region earning localities nearly $15 billion (over 15% of Americans studying abroad go to the region — a 100% increase from the previous decade), Asian-Americans are the fastest growing ethnicity and immigration group, and some 8.5 million visitors travel to the US annually accounting for a staggering $40 billion in revenue.[9] Of course, none of this directly addresses specific security concerns in the region, but it does offset the rather simplistic view that the US is for security and China is for economics. The fact is that the US will continue to be a major commercial and societal partner for Asian countries, and this in turn will serve to reinforce America's security stakes in the region. Successful conclusion of the TPP is likely to further buttress the broad American private sector stake in the region.

The above assessment counters some of the most pessimistic analyses about US policy, but it must be admitted that there are some serious security concerns

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[7] See the October 30, 2013 article by Representatives Forbes and Hanabusa at http://armedservices.house.gov/index.cfm/defense-drumbeat-blog?ContentType_id=3656d01d-1920-44b6-a520-385c45d19f4e&Group_id=01c27866-262f-49c1-ac39-5242779de598&MonthDisplay=10&YearDisplay=2013

[8] See Heritage Foundation, "Asia Firms Are Major Investors in US Economy," http://www.heritage.org/multimedia/infographic/2013/10/key-asia-indicators/e3

[9] See East West Center, www.AsiaMattersforAmerica.org, http://www.asiamattersforamerica.org/overview

and challenges in the region for the US, and I would assess the five critical ones as follows:

1. Managing the balance between US-China relations and strong US alliances. As I have argued elsewhere, currently US-China and US-Asia relations are better than China-Asia or intra-Asia relations (e.g., Sino-Japan, ROK-Japan, India-China, or Russo-Japan).[10] Some in the US argue that the US should implicitly, if not formally, "tilt" towards privileging the US-China relationship (e.g., G2 supporters), while others argue for an "alliances first" policy. My argument remains that precisely because of China's rise and particularly its economic importance to American allies and partners, it is critical for US policy to get both US-China and US-alliances "right." But most important, the US must manage both the relationship with China and alliances in order to strengthen dissuasion, deterrence, and reassurance without creating destabilizing sudden ups and downs in US policy. A sudden or dramatic downturn in either/both US-China relations or an alliance relationship is de-stabilizing. Nowhere is the simultaneous management of US-China and US-alliance relations more critical than on the extremely sensitive issues of maritime and sovereignty disputes in the South China and East China Seas. Needless to say, acute tensions between American allies and partners with China further complicate management of this balance.
2. Adapting Alliances. Notwithstanding the need to manage US-China and US-Asia alliances simultaneously, the bedrock of US *security* policy in the Asia-Pacific is its alliances. The ongoing effort to calibrate adaptation of those alliances to changed circumstances will be a major challenge in the years ahead. This will be even more the case if relationships between and among alliances, such as in the case of current Japan-ROK relations, remain troubled. This will also make the long-term trend towards creating constructive networks among US alliance partners more difficult. Each alliance has its own set of bilateral tasks ahead. As the recent Security Consultative Meeting (SCM) between US and the Republic of Korea and the recent "2+2" between the US and Japan demonstrate, both alliances are very strong in many respects, but require persistent mutual attention and

[10] See, Satu Limaye, "The Asia-Pacific's 'Balance of Relations' and Dangerous Choices," https://csis.org/files/publication/Pac1359.pdf

effort. In particular, as Japan contemplates significant changes in its national security structure and direction, close US-Japan coordination bilaterally and in the context of the region will be required. The US-ROK relationship has a number of bilateral issues to work through from OPCON transfer to missile defense to a future civilian nuclear agreement. The US-Australia alliance has been riding a decade-long period of extraordinarily close cooperation since ANZUS was invoked following the 9/11 attacks on the US. Both Washington and Canberra, equally committed to the alliance, now need to fashion an alliance in the wake of collaboration in Iraq and Afghanistan and in a different domestic and budgetary climate. And US alliances with the Philippines and Thailand are undergoing review, and that revision will need to be translated into concrete decisions and actions.

3. Improving Emerging Partnerships. After significant improvements in relations with countries such as India, Vietnam, Indonesia, and Myanmar, among other regional countries over the past few years, US policy faces the challenge of maintaining an upward momentum in these relationships — particularly in the security area. While US attention and effort will be a key variable in how far fast-emerging partnerships can develop, it is not the only variable. As India, Indonesia, and Myanmar head toward elections over the next couple of years, the nature of the relationship that Delhi, Jakarta, and Napidyaw want with Washington will be a largely internal decision. To advance these partnerships in ways that meet mutual security needs and objectives, some major hurdles will have to be overcome. Indeed, it is possible to argue that for the time being, a plateau in relations (albeit at a much higher level than before) has been reached in these relationships, and drivers that are as yet difficult to discern will be required to bring these relationships closer.
4. Fulfilling the ASEAN/SEA Project. In America's rebalance to the Asia-Pacific, the rebalance within Asia towards Southeast Asia has been a major policy tenet. The components of this policy include not only building new partnerships in the region, but also strengthening ASEAN. In the wake of the 2012 ASEAN Summit, there is an increasing sense that Southeast Asia may have reached a peak of coherence. Plus, as noted above in terms of improving emerging partnerships, key Southeast Asian countries are likely to take a "breather" or "pause" in improved relations with Washington, as they focus on important domestic transitions. Moreover, certain initiatives,

such as the Trans Pacific Partnership trade arrangement, do not include all ASEAN member countries, so programs will have to be designed so as not to undermine the long-term US interest in ASEAN integration and coherence. Already announced programs such as E3 will be useful, but they are unlikely to substitute for fundamental economic reforms in the countries themselves, nor in developing their domestic interest and ability in "docking" onto high-standard regional integration mechanisms such as the TPP.

5. Sustaining US Active Participation in the Asian Multilateral Project. The Obama administration's decision to participate in regional multilateralism constitutes one of the three major "innovations" in US-Asia policy (the other two being the concept of the Indo-Pacific encompassing India, and the focus on Southeast Asia). However, with President Obama missing the most recent two leaders' meetings (APEC and EAS), there is some gloom about sustainability of the commitment to the multilateral project. But concern does not revolve around just a missed meeting. There is an increasing sense that the regional multilateral effort, while useful in tactical ways (e.g., facilitating cooperation on HADR) and beneficial to long-term order-building (i.e., rules, norms, values), does little to address the key security problems that the region faces.

The remainder of this paper examines the relevance of multilateral cooperation for the key security challenges confronting the United States in the Asia Pacific.

US Participation in Multilateral Efforts in the Current Asia Pacific Security Outlook

It is very difficult to see, for example, how multilateral cooperation can make an appreciable contribution to simultaneous management of US-China and US-alliance relations. In 2010, and again in 2011, the United States used its participation in multilateral forums to make important statements about Chinese assertiveness on maritime and territorial claims; but since then there has been a less concerted focus to use these organizations to signal preferences or organize responses. One reason may be that the point has already been effectively made, and the US has sought to stabilize the disputes now that its position and views have been well articulated. Moreover, actual conditions "on the waters" have changed. But it remains the case

that Secretary Clinton's announced view, "This new landscape requires us to build an institutional architecture that maximizes our prospects for effective cooperation, build[ing] trust, and reduc[ing] the friction of competition," remains far from realized.

The US also has taken pains to explain that participation in multilateralism is in no way at odds with or a diminishment of its regional alliances. In fact, participation in regional multilateral organizations is in part driven by the wishes of US alliance partners. In making the case for US participation in 2010, Secretary Clinton stated that "…we [US] need to recognize that these regional organizations are very important to the actors who are in them. And the failure of the United States not to participate demonstrates a lack of respect and a willingness to engage." US participation in multilateral organizations is hence part of alliance management and a form of reassurance. Secretary Clinton made a point of saying that "… the United States' alliance relationships are the cornerstone of our regional involvement… Our commitment to our bilateral relationships is entirely consistent with—and will enhance—Asia's multilateral groupings." Indeed, according to insiders in the Obama administration, it was the urging of key allies that the US not remain isolated from then-developing regional organizations, such as the EAS, that prompted the administration to make the decision to join such groupings.

Some analysts have occasionally hinted that allies worry about excessive US reliance on multilateralism as a sign that the US is "retreating" from its bilateral commitments. This is, to my mind, fantasy. There is little prospect that Asia-Pacific multilateral institutions will mature to the point where they will be able to manage traditional security challenges so as to make bilateral alliances superfluous. Moreover, while the US certainly wishes to employ regional institutions as a way to "institutionalize" US presence in the region (along with doing so through alliances, partnerships, commercial engagement, etc.) there is no evidence that the US policymakers believe that multilateral cooperation can substitute for robust alliances. The "enabling alliances," or "partner capacity-building," or "burden-sharing" elements of alliance relationships will certainly continue, but will do so primarily *within* each alliance rather than *through* multilateral organizations. As then-Secretary of State Clinton explained, "Strengthened multilateral cooperation should and must respect and build on our already proven bilateral partnerships." She went on to say that the very nature of multilateral organizations requires shared effort: "… building serious multilateral institutions requires us to share the burden of

operating them." There is, of course, some benefit of utilizing multilateral groupings such as ARF and ADMM Plus to further cooperation between US allies and partners, but this is not a substitute for the formal networking that is already underway (e.g., the US-Japan-ROK or US-Japan-Australia). It is difficult to see region-wide multilateral organizations, such as ARF and ADDM Plus, having the same salience for US alliance relationships as trilateral security dialogues (TSDs) such as US-J-AUS and US-J-ROK.

The role of multilateral cooperation in advancing emerging US partnerships is also important. Multilateralism has indeed helped leverage key US emerging partnerships (e.g., with Vietnam in 2010, with Indonesia in 2011, and perhaps Myanmar in 2014). However, given the immediate outlook for these relationships, participation in multilateral cooperation cannot by itself bridge the uncertain trajectory in US-India, US-Vietnam, US-Myanmar, and US-Indonesia relations. The American project to contribute to ASEAN coherence and integration is most directly related to American participation in regional multilateral efforts. After all, a central tenet of American participation in the region-wide multilateral project is an acknowledgment that ASEAN is the "fulcrum" of such efforts. But ASEAN's own disagreements after the 2012 Cambodia summit, and continuing differences about how to handle South China Sea issues, mean that there will be limits to how much the US can and will depend on ASEAN to guide its approach to Southeast Asia.

A final question is how much participation in regional multilateral organizations can contribute to "order-building" (rules, norms, values) across the region. While the US may indeed wish to utilize regional organizations for such a purpose, it is not clear that ARF and ADMM Plus are effective vehicles to do so. It may well be that specific arrangements such as TPP, if successfully concluded, will do more to contribute to specific results on economic rules and standards than anything that can be done in broad-memberships regional organizations. Nevertheless, regional multilateral organizations do afford a venue to push forward American perspectives on order-building.

Underlying the specific relevance of multilateral cooperation for management of key security problems are several ongoing American concerns about participation in regional multilateral cooperation. First, US "enduring commitment" is going to be predicated on outcomes that would merit "sustained and consistent presidential engagement." If regional multilateral cooperation cannot assist with key outcomes, there may well come a time when engagement—especially at the presidential

level — would be seen as less desirable. Second, while acknowledging ASEAN's central role in regional multilateral cooperation, it is necessary to "translate dialogue into results." Given ASEAN's own difficulties in providing a "united front," skeptics about multilateral cooperation will continue to regard the multilateral project as built on the conceit of ASEAN centrality. Third, the US, while appreciating the "heritage issues" of EAS (e.g., finance, education, energy, disaster management and avian flu prevention), seeks progress on "active agenda" items such as nuclear proliferation, conventional arms, maritime security, climate change, and promotion of human rights. On these "traditional" security issues, alliance partnerships within and outside multilateral forums will be especially important. Fourth, the US continues to grapple with how to "complement and reinforce the work being done in other forums." Many analysts and officials appear to agree on the need to perhaps create a functional differentiation and hierarchy for the various regional institutions. As of now, only APEC and EAS are leader-level meetings, whereas ARF and ADMM are not. Eventually, there may be a push to make EAS the key leaders meeting and the ADMM the most practical cooperative venue.

Concluding Thoughts on US Interests and Asia Pacific Multilateral Cooperation

Since the Obama Administration signed the Treaty of Amity and Cooperation (TAC) and joined EAS, the environment for effective multilateral cooperation has changed considerably.

First, the conditions surrounding the multilateral project have become more difficult over the past two or so years, with intensifying territorial and maritime disputes across the region and an unprecedented lack of consensus at an ASEAN meeting. Meanwhile, US-China relations have been constructively managed. These developments have made multilateral cooperation more difficult.

Second, regional organizations as mechanisms for the US to "institutionalize engagement" in the Asia-Pacific (the US is also "institutionalizing engagement" through bilateral alliances and partnerships and initiatives such as the Trans-Pacific Partnership, TPP) are not going to be sufficient. Given the revival of tensions across southeast and northeast Asia, the role of regional organizations will come under more and more scrutiny for their ability to function and facilitate management, reduction and even resolution of tensions. There is little prospect they can meet such

benchmarks.

Third, sustainability of the US commitment to multilateral cooperation at the presidential level remains to be seen. There is evidence for this doubt in President Obama's recently cancelled trip to EAS and APEC. It is highly unlikely that the US will retreat from its commitment to participate in the various regional organizations the US has now joined (not only TAC and EAS, but US also recently joined PIF). However, as with overall US rebalancing strategy, sustainability of US efforts will be a key issue — not least when there is a change in US administration.

Fourth, regional organization/institution-building is not the same as regional order-building in the sense of norms, rules, and values. I remain somewhat pessimistic on this front — that is, there are lots of organizations/institutions, but a long way to go and hard work ahead on creating shared norms, rules, and values utilizing these institutions.

Fifth, the role of regional institutions in deterrence, dissuasion, and reassurance remains unclear. Strengthening regional institutions through rule-setting and norm-building to deter countries from "acting out" unilaterally, dissuading countries from thinking they can supplant US leadership and smaller country interests, and reassuring American friends and allies that the US is committed to the region, remains a work in progress.

Finally, the underlying struggle between a pan-Asian and trans-Pacific regional project continues. Unlike a couple years ago, there have been no recent suggestions for "new" organizations, such as the Asia-Pacific community proposed by former Australian Prime Minister Kevin Rudd, or an East Asian Community proposed by former Japanese Prime Minister Hatoyama. However, as regional conditions evolve, the US will retain a keen interest in ensuring that multilateral cooperation develops in a way that is open inclusive.

All of this is to say that in the US security outlook in the Asia-Pacific, "traditional" mechanisms such as alliances and partnerships will remain the key tools to secure American interests and pursue American values. Multilateral cooperation can assist these two fundamental efforts at the margins.