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East Asian Security: The Case for Deep Engagement

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East Asian Security

The Case for Deep Engagement

Joseph S. Nye, Jr.

IT HAS become fashionable to say that the world after the Cold War has moved beyond the age of power politics to the age of geoeconomics. Such clichés reflect narrow analysis. Politics and economics are connected. International economic systems rest upon international political order.

Consider East Asia 20 years ago. The United States was withdrawing from Vietnam, and many observers predicted that widespread instability would follow a broader American withdrawal from the region. Compare those gloomy predictions with the stable and prosperous East Asia of today.

There are a number of reasons for East Asian prosperity, including high savings rates and successful macroeconomic policies. But among the important and often neglected reasons for East Asia's success are American alliances in the region and the continued presence of substantial U.S. forces. Our national interests demand our deep engagement in the region. We back up that engagement with our steadfast commitment to sustain a forward military presence of about

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100,000 American troops in East Asia, of whom 36,000 stand by our ally the Republic of Korea, while 47,000 demonstrate our commitment to regional security and the defense of Japan. The U.S. presence is a force for stability, reducing the need for arms buildups and deterring the rise of hegemonic forces.

Political order is not sufficient to explain economic prosperity, but it is necessary. Analysts who ignore the importance of this political order are like people who forget the importance of the oxygen they breathe. Security is like oxygen—you tend not to notice it until you begin to lose it, but once that occurs there is nothing else that you will think about.

East Asia is currently the world's most dynamic economic region. Asia and the Pacific (excluding the United States) are expected to account for about one-third of the world's economic activity at the start of the next century. Instead of looking back 20 years to 1975, we should look forward 20 years. Will there be a political order and security framework that will sustain this impressive economic growth, or will the stable expectations of entrepreneurs and investors be subverted first by costly arms races and then by armed conflicts?

History shows us that periods of the rise and fall of great powers are often times of great instability in international state systems. As Thucydides wrote nearly 2,500 years ago, the real cause of the Peloponnesian War was the rise in the power of Athens and the fear that created in Sparta. Similarly, an emergent France was the cause of turmoil in early nineteenth-century Europe, and one of the underlying causes of World War I was the fear that Germany's rise created in its European neighbors. The international power structure in East Asia today is marked by the rise and fall of great powers. Within the last decade, the Soviet Union declined and collapsed. Russia is currently preoccupied with internal change, but it remains an important regional power. Also during this period, Japan's growth has continued, and China has begun to transform its economy.

If China's recent growth rates continue, it will become the world's second-largest economy soon after the turn of the century. Its military strength will also naturally increase. Even if China does not increase its defense budget as a percentage of its GNP—about four to five percent of GDP, according to most estimates—the sheer magnitude of the rise in China's GNP means that impressive military capa-

bilities will accompany its economic growth. How the international system adjusts to the rise of Chinese power, the eventual rejuvenation of Russia, the evolving role of Japan, and the tensions on the Korean peninsula will be critically important to the future of East Asian stability and prosperity.

ALTERNATIVE STRATEGIES

IT IS interesting to compare the post-Cold War strategic situation in East Asia with that in Europe. In both regions, the American alliance structure survived the demise of the Soviet Union. In neither region is there a demand that the Americans go home. Quite the contrary. In the Pacific, the Americans have alliances with five countries, and three of them (Australia, Japan, and South Korea) provide access to significant facilities that enable us to fulfill our commitments in the region and beyond. In both Europe and Asia, while there have been reductions in the numbers of American troops, roughly 100,000 troops remain in each case. Unlike Europe, however, there is no web of multilateral institutions tying countries together in Asia. In Europe, the European Union has bridged the enmity between France and Germany that caused three wars in a century. Similarly, NATO remains a strong multilateral alliance. Anyone who thinks that the end of the Cold War and the demise of the Soviet Union have made NATO obsolete has not heard what political leaders in Paris, Bonn, Warsaw, or Prague have been saying publicly and often. By comparison, multilateral institutions in East Asia are relatively weak. At this point, the United States is the only global political and economic power in the region—a situation that will likely change over time.

A dispassionate analyst could identify at least five major strategic alternatives for the United States in East Asia. One would be to withdraw from the region and pursue a hemispheric or Atlantic-only strategy. Few people take this option seriously. History, geography, demographics, and economics make the United States a Pacific power. Four of our states border on the Pacific, and one is surrounded by it. American citizens on three Pacific island territories—Guam, American Samoa, and the Commonwealth of the Northern Marianas—live closer to Asian capitals than to Washington. The increas-

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ing number of Americans who trace their ancestry to the Asia-Pacific region—over eight million—is another indicator of America’s connection to the region. American trade with the Asia-Pacific region stands at nearly \$400 billion and accounts for nearly three million United States jobs. To cut ourselves off from such an area of economic dynamism would be foolish strategy indeed.

A second option would be for the United States to withdraw from its alliances in the region on the grounds that the Cold War is over. This strategy would let normal balance-of-power politics take the place of American leadership. The United States could try to play one state off against others. Some believe that this would be the lowest-cost option for the United States. In practice, however, such an approach would be both costly and destabilizing. The structure of power in East Asia is not a stable balance where the United States could or would want to mechanically adjust its relations between countries. East Asian reactions to the balance-of-power approach would likely lead to a regional arms race. Ironically, this would make U.S. participation in the region more costly and more dangerous as the United States had to balance the new and enhanced forces that would be created. And the United States would absorb these costs without the benefit of burden-sharing from Asian allies, which now reduces our costs by over \$5 billion per year. Moreover, such a strategy would ignore and indeed waste the valuable investments we have made in existing relationships in the region.

A third option would be for the United States to try to create loose regional institutions to replace its structure of alliances in East Asia. Such regional security institutions could perhaps supplement the U.N. system. But effective regional institutions are not quickly and easily created under any circumstances. The European Union has taken more than four decades to mature from the early days of the Monnet plan, and East Asia has not even reached that early stage. Ancient enmities, which antedate the Cold War, have not been overcome. Countries in the region would see such institutions as analogous to the League of Nations—promising, but not sufficient to provide a real sense of security. A number of countries have told us that they suspect that the creation of such institutions might be a screen behind which the United States would retire from the region. A

regional institutional strategy alone could not provide a sufficient framework for security.

A fourth hypothetical alternative would be to create a NATO-like regional alliance. An analogy to the European institutional framework, however, would be a mistake because the new alliance would be seen as aimed at Russia or China. Russia's future role in the region is highly uncertain, and it is wrong to portray China as an enemy. Nor is there reason to believe China must be an enemy in the future. Some regional experts believe China will be aggressive outside the Chinese cultural area; others do not. In the face of uncertainty among the experts, suppose that we simply posited a 50 percent chance of an aggressive China and a 50 percent chance of China becoming a responsible great power in the region. On this hypothesis, to treat China as an enemy now would in effect discount 50 percent of the future. Moreover, a containment strategy would be difficult to reverse. Enmity would become a self-fulfilling prophecy. The Clinton administration's policy of engagement is a far better approach to dealing with emerging Chinese power.

The fifth option is U.S. leadership. The Clinton administration has decided that this is by far the best alternative for both the United States and countries in the region. Indeed, that is the message we receive from countries there.

THE LEADERSHIP STRATEGY

EARLIER THIS year, the Department of Defense published *United States Security Strategy for the East Asia Pacific Region*, which spelled out the security details of President Clinton's strategy of engagement and enlargement. The response in East Asia has been strongly positive. Singapore's government "welcomed the report," and its Chinese-language newspaper, *Lianhe Zaobao*, wrote, "This is not only the role Asia-Pacific countries want the United States to play, but also the best means by which the United States can safeguard its interests in the region." Hong Kong's *South China Morning Post* said, "Washington deserves praises, and gratitude, for maintaining its commitments in Asia."

There are three parts to the American security strategy for East Asia. Reinforcing our alliances to identify their new basis after the

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Cold War is at the heart of the strategy. Some people believe that alliances cannot deal with a foe called uncertainty. "How many divisions does uncertainty have?" one skeptic has asked. But, as is wisely appreciated in the region, the skeptics are too clever by half. The problem is not the divisions that uncertainty has but the divisions that uncertainty can create.

The second component of the U.S. strategy is to maintain our forward-based troop presence. That is why the Pentagon report called for a halt to the reductions planned in the more euphoric phase of the early post-Cold War period. The immediate security problem in the region comes from Pyongyang. North Korea is a clear and present danger. Not only is it on the brink of a nuclear weapons capability, but it also has 1.1 million men under arms, with two-thirds of them deployed along the Korean demilitarized zone. Moreover, it is developing a new generation of ballistic missiles. The framework agreement negotiated by the Clinton administration last October has frozen North Korea's nuclear program and provides for its dismantlement. Over time, it holds the promise of a peaceful resolution of tensions on the peninsula. But it will take a decade or more for the agreement to be fully implemented, and there are many pitfalls along the way. In such circumstances, it would be a serious mistake to withdraw American troops from the region. Beyond North Korea, our presence ensures the United States a seat at the table on Asian issues, makes good U.S. commitments to ensure that trade flows freely in and out of the region, and enables us to respond quickly to protect our interests not only in Asia but as far away as the Persian Gulf.

The third dimension of the strategy is to develop regional institutions. These bodies are not designed to supplant or unify American alliances but rather to be a confidence-building measure for the region. In short, they are to complement American alliance leadership, not to replace it. They open the prospect for an institutional evolution in the region over a longer period. In the economic area, the Clinton administration has made major efforts to develop and strengthen the Asia-Pacific Economic Cooperation forum. In the security area, it has offered support for the Association of Southeast Asian Nations Regional Forum (ARF). In addition, the administration is developing bilateral security dialogues with many countries in

the region including China, Russia, and the countries of Southeast Asia. Some of these dialogues may evolve in a multilateral direction. For example, the administration has encouraged nongovernmental talks among the Northeast Asian countries in an effort to develop a Northeast Asian security dialogue. Such multilateral activities will complement our bilateral ties. For the next decade, however, we see no superior strategy than one that involves a commitment to direct U.S. leadership in the Asia-Pacific region.

LEADERSHIP'S CRITICS

IT IS POSSIBLE to imagine a number of objections to this leadership strategy. First and foremost is the view that it simply cannot be implemented. In a world without a Soviet enemy, some argue, there is no basis for the old alliances that are the heart of the strategy. We hear the same criticism from those who want to dismantle NATO. In this new world, so the argument goes, military alliances are anachronisms best left to the pages of Cold War history. But the critics fail to realize that alliances can be rebuilt for a post-Cold War era.

Japan is now in the process of formulating its own choices for a post-Cold War strategy. In theory, Japan has a variety of options. One is simply to follow the old policy of "economism," but Japan has become too large to ignore its impact on the international political system. Most Japanese leaders are aware that the strategy that served them so well for the past four decades is no longer viable. Another strand of Japanese opinion seeks a U.N.-based strategy. A number of Japanese critics, however, have pointed out that while the United Nations may be an essential part of a strategy, it alone cannot suffice, given its problems as an institution. A third prospect would be for Japan to become a "normal country" with an independent military capability. A minority of voices are heard backing this idea. Some even advocate a nuclear-armed Japan. But as Japanese analysts have looked more closely at this strategy, they have found that it would become enormously expensive if Japan had to respond if its neighbors reacted by building up their armaments.

Instead, Japan has reaffirmed the option of maintaining the U.S. alliance, while working with us to tailor it to the post-Cold War period.

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Last summer, a nongovernmental commission chaired by Higuchi Hiroto, a business leader, gave the Japanese prime minister its recommendations for a Japanese security strategy for the post-Cold War period. This report will probably foreshadow the official governmental strategy in the future. The report bases future Japanese strategy on the U.S. alliance while strengthening Japan's responsibilities in the global arena to include participation in the United Nations. Just a few years ago, Japan found it almost impossible to engage in U.N. peacekeeping operations. Since the Diet's passage of the peacekeeping law in 1992, however, Japan has engaged in three significant international activities—in Cambodia, Mozambique, and Rwanda—and is now considering participation with U.N. observers on the Golan Heights. In short, Japanese attitudes are evolving.

That is why the Defense Department is engaged with Japan in a year-long intensive security dialogue. The dialogue does not involve changes in the Japanese constitution or the U.S.-Japan security treaty; rather, it seeks to align our views so that the strategies followed by the United States and Japan can be complementary in the post-Cold War period. This security dialogue has focused on three different areas. First, there are bilateral issues involved in the defense of the Japanese homeland. This includes such questions as the Okinawa bases, host-nation support, supply and acquisition services, and so forth. The second area involves discussions of regional forecasts and strategies: how each of the two countries sees the evolution of stability in the region. The third part relates to our respective involvement in global issues of peacekeeping and humanitarian missions. Here, the United States has indicated its willingness to be supportive to the extent that Japan desires such support. Our experience thus far suggests that it will indeed be possible to establish a firm basis for a U.S.-Japan security relationship even though the Cold War is over and the Soviet Union is no longer the identifiable enemy.

A second objection to the strategy of American leadership is that the United States cannot afford it. Some argue that the cost of keeping troops in Asia is undercutting economic security at home, which is rightly seen as the foundation for all else that the country does. But such an argument rests on a faulty premise. Removal of troops from Asia would only save money if they were cut from the U.S. force. If

the United States decided that it wanted to have a smaller military and a smaller defense budget, some money might be saved. But that does not reflect the current consensus of maintaining a defense budget of roughly \$250 billion. That budget was designed as a result of the Pentagon's 1993 "Bottom-Up Review" to enable the United States to deal with two major regional conflicts nearly simultaneously. U.S. troops in Asia are a vital element in this equation. Last October, when Iraqi President Saddam Hussein moved troops southward in the Persian Gulf at the same time that the North Korean negotiations looked like they might break down, the prospects depicted in the review became all too realistic.

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Given the broad consensus between the administration and Congress about the resources required for our defense, the United States would save very little by removing

troops from Asia. In fact, because of the host-nation support provided by Japan and South Korea, it is cheaper to base the forces in Asia than in the United States. Japan pays nearly all the yen-based costs of the 46,000 American forces, or nearly 70 percent of the troops' overall costs. If those troops were moved back to American bases, the cost of their maintenance would rise rather than fall.

Some critics claim that the United States cannot afford such a leadership strategy in a broader sense. They argue that the United States needs to use its security leverage to cure its trade imbalance. "Why should U.S. troops serve indefinitely as the security guards of an East Asian co-prosperity sphere from which many American products are effectively excluded?" asked Michael Lind in *The New York Times*. The problems of the overall trade imbalance are serious, and the Clinton administration is addressing both their macroeconomic and structural causes. But the reduction of the trade deficit depends primarily upon our domestic savings rate and the budget deficit. As the president's 1995 Report on Trade Policy Agenda notes, "Trade policy has a lot to do with the composition of trade: who produces what, where. It has little to do with the size of the overall trade balance, which is primarily determined by larger macroeconomic forces."

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To say macroeconomic causes are basic is not to say they are the only cause. Structural barriers also matter. The United States must continue to push Japan to open its markets. Moreover, protecting American citizens and corporations is a legitimate government role. Opening Japanese markets is part of fair play. Even if Japan agreed to all our demands about market opening, however, America's overall trade deficit would persist unless our domestic savings and budget deficits change. In other words, the tradeoff with security is a false dilemma.

Threatening to remove American security assurances might force Japan to make trade concessions in the short run. But not only would it fail to solve the problem, it would also encourage Japan to alter its long-term strategy so that it would be free from such pressures in the future. In the long term, the United States and Japan have a balanced, interdependent security relationship. We each need the other to protect our national interests and meet our security goals. Japan provides forward bases for the American presence and serves as the cornerstone of our security strategy for the entire region. Because of our long-term symmetrical interdependence, tactical efforts to leverage our security relationship would cost both countries greatly and jeopardize the broadly held long-term interests of the American people in a stable East Asia.

As President Clinton has said, our relationship with Japan is like a three-legged stool made up of the security, economic, and political legs. To keep the stool balanced, we must pay attention to each leg. But in the same way the seat of the stool joins the legs together, we cannot completely divorce the three components of our relationship, just as using one leg of the stool against another will cause the stool to tip. Linking security to trade as a tactic for short-term gain risks the overall relationship. As we try to work out problems with each leg, we must keep in mind the strategic linkage that holds the relationship together. Ultimately, problems related to trade can undermine security, just as security problems can undermine trade and prosperity. Just as we can argue with our European allies and Canada over serious issues of trade without damaging our overall relationships, we wish to ensure our relationship with Japan is strong and mature enough to withstand the trade disputes that are inevitable among democracies.

A fourth objection to the American leadership strategy is that East Asia will simply use us and then later exclude us. Such critics see the United States as unable to compete economically in the long run. If one looks at the capabilities of the American economy and the rise in manufacturing productivity over the last decade, there is no reason to be so defeatist. Moreover, when one looks at reactions in the region, it is unlikely that the United States will be excluded. For example, when Malaysian Prime Minister Mahathir bin Mohamad proposed an East Asian Economic Caucus that excluded the United States, he found that other Asian countries were leery of excluding the United States. It did not take long for Asian analysts to realize that if they excluded the United States from the region economically, the United States would probably withdraw its security presence, and they would therefore lose the basis for stability and prosperity in the region. The linkage between economics and security is more effective as a strategic reminder in the back of leaders' minds than in a short-term, tactical sense. In other words, the U.S. security presence helps our economic presence. Moreover, as interdependence grows, stronger transnational ties between the United States and the East Asian economies will make it difficult for East Asians to exclude us.

Finally, some critics charge that the Clinton administration has no strategy for China. That is simply wrong. The Clinton administration has a strategy for China that is based on engagement. There is a dialogue with China on a broad variety of fronts, and some security areas have progressed quite well. For example, China has made important progress in the past few years regarding the proliferation of weapons of mass destruction. China is a member of the Nuclear Nonproliferation Treaty and has indicated its support for the Comprehensive Test Ban ratification in 1996. In addition, China has participated in a number of related multilateral regional dialogues. Secretary of Defense William Perry visited China last year, not to transfer technology or weapons, as in the 1980s, but to establish a new agenda of security and military contacts with China. His discussions included defense conversion, confidence building, and transparency in the region. As a result, the Defense Department sent representatives to China to explain the basis of our strategy and budget, and China reciprocated with a similar visit to the Pentagon. The

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administration feels that its current security agenda is the proper way to approach China and that engagement is the best strategy.

A VERY LONG ENGAGEMENT

THE ADMINISTRATION'S East Asia strategy report is a strong, unswerving statement that we will remain engaged in Asia. The identification of a stable level of troop strength is not meant to perpetuate the Cold War. It represents the current reality in the region. The report's 1990 predecessor laid out a ten-year plan for phased cuts in America's strategic posture and emphasized burden-shifting to allies, partly in an effort to placate a Congress that sought to bring the troops home. Regrettably, the effort to persuade Congress came at the risk of alarming Asians. Two years later, a second strategy report had to deal with a greatly changed strategic environment characterized by the collapse of the Soviet Union, the end of the Cold War, North Korea's membership in the United Nations, conclusion of a joint denuclearization agreement with South Korea, Pyongyang's signing of an International Atomic Energy Agency safeguards regime, and U.S. withdrawal from Philippine bases. In spite of the report's best efforts, it was impossible to reassure Asians that the United States was a great power with a strong determination to stay in the region. The new East Asia strategy report has succeeded in focusing the debate on the dimensions that matter: what is in the U.S. interest and how it should be achieved.

The answers to these two key questions are found in the unilateral, bilateral, and multilateral aspects of the administration's policy. Unilaterally, we must maintain a bipartisan consensus on our forward presence in East Asia. Forty years ago, Senator Arthur Vandenberg urged a bipartisan approach to our dealings across the Atlantic, advocating "a mutual effort, under our indispensable two-party system, to unite our official voice at the water's edge." Today, we should develop that consensus at the Pacific's edge.

Bilaterally, we must maintain and strengthen the mutually beneficial security arrangements we have with our allies. These have withstood the test of wars and the trials of peace. We have emerged from the Cold War with strong security arrangements that continue to have

relevance, such as the early warning and intelligence facilities the United States shares with Australia. It is in America's interest to maintain the alliance structure with countries like Japan and South Korea because these relationships are the basis for regional stability. The 1995 East Asia strategy report echoes these conclusions from earlier Pentagon reports not out of nostalgia or a lack of creativity but because of the importance of alliances in a strategy based on American leadership.

Finally, the current East Asia strategy report places a new emphasis on multilateral security dialogues. The 1990 report noted, "Our friends and allies in East Asia are reluctant to enter into multilateral consultations on security concerns for a variety of reasons." Since then, the Association of Southeast Asian Nations has taken strides to develop a regional sense of community. In 1993, they developed the ARF, which met for the first time in 1994. We support the ARF as an important step toward building confidence and promoting communication between nations in the Asia-Pacific region. Such multilateral activities complement our bilateral ties, but they do not diminish, nor can they replace, these important bilateral relationships.

The United States is committed to lead in the Asia-Pacific region. Our national interests demand our deep engagement. For most countries in the region, the United States is the critical variable in the East Asia security equation. The United States is not the world's policeman, but our forward-deployed forces in Asia ensure broad regional stability, help deter aggression against our allies, and contribute to the tremendous political and economic advances made by the nations of the region. The concerns about American withdrawal heard today were voiced 20 years ago as well, after the Vietnam War. For the security and prosperity of today to be maintained for the next 20 years, the United States must remain engaged in Asia, committed to peace in the region, and dedicated to strengthening alliances and friendships. That is what we propose to do. 🌐