US Foreign Policy towards Northeast Asia

Joel R. CAMPBELL*

Abstract

Since the mid-19th century, the US has been a Pacific power. Through three wars and the Cold War, America became a major regional player. Modern Japanese-American relations were shaped by the Cold War, and a strong political-military alliance served the geopolitical needs of both countries. As Japan's economy matured and its politics transformed in the 1990s, Tokyo sought greater political independence, and used an upgrading of the alliance as part of its effort to achieve the more "normal" status as a great power. US relations with South Korea have been driven by a shared perception of threat from North Korea. Since the Cold War, the nature of this threat has shifted from immediate concern about conflict to danger from an essentially failed state. Sino-American relations centre on the interaction of two great powers. China's quasi-alliance with the US and market-oriented reforms meant that the relationship in the 1980s centred on reintegration of China into the global political economy. Since the mid-1990s, China's "rise" has led to increased tensions, especially in strategic and economic issue areas. America's close but unofficial relationship with Taiwan remains an irritant to overall Chinese-American ties.

* Associate Professor in the Masters of Science of International Relations program of Troy University, teaching on the Pacific Region (Japan and Korea).

Key Words

Japanese-American relations, Japanese-American alliance, Korean-American relations, North Korea, Sino-American relations, Taiwan Strait issue.

Introduction

The date 7 December 2011 was the 70th anniversary of the surprise Japanese air attack on Pearl Harbor, Hawaii. That "day of infamy" long ago not only brought America into a global war, but propelled the US towards becoming the dominant military and political power in East Asia. US foreign policy in Asia was shaped by four wars, three hot and one cold. The outcome of the Second World War created a permanent American military presence in the region and transformed Japan into a key ally. The Korean War, America's first war fought entirely on the Asian mainland, saved South Korea, which became another US ally. It also created a defensive perimeter for the Cold War, in which the US faced down both the Soviet Union and the

newly communist China. The Vietnam War, which has been perceived as a US loss, inserted America into Southeast Asian politics, with Japan as a key staging area. Two more recent wars, in Afghanistan and Iraq, relied on Japanese bases for supply and training.

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Post-Vietnam US foreign policy downplayed East Asia. America withdrew from mainland Southeast Asia in the 1970s, and lost its Philippine bases by 1991. China aligned itself with America in the latter days of the Cold War, while it introduced economic reforms and opened up to foreign trade and investment. The end of the Cold War eased regional tensions, with only the Korean peninsula remaining a flashpoint. Japan continued to rely on American defence guarantees as a foundation of its own foreign policy, but its outsized economic presence in the 1980s seemed on the wane by the mid-1990s.

America has long seen itself as a Pacific power, and a key goal of US foreign policy has been to prevent any major power or combination of powers gaining control of Eurasia.[1] Much was made of the Obama administration's "pivot" from South Asia and the Middle East to the Asia-Pacific in 2011. The President spent most of last November bolstering US trade, political, and military ties in the region. The US hosted the Asia-Pacific Economic Cooperation forum (APEC) summit in Hawaii. Obama's opening address noted that "the Asia Pacific region is absolutely critical to America's economic growth… we consider it a top priority."[2] He promoted the Trans-Pacific Partnership (TPP), a free trade area that would span the Pacific, which is in preliminary negotiations and has been signed up to by Australia, Malaysia, New Zealand, Singapore, and Vietnam (Japan, Canada, and Mexico have expressed interest in joining the talks). Visiting Australia, Obama joined with Prime Minister Julia Gillard to reaffirm their alliance, and both agreed that 2,500 US Marines would begin rotating through an Australian base near Darwin. His speech to the Australian parliament focused on freedom, some observers viewing this as an obvious contrast with China. He then attended the East Asia Summit in Indonesia, where he announced that the US was considering normalising relations with Burma/Myanmar, based on the military government's recent preliminary reforms. Secretary of State Hillary Clinton quickly visited Yangon,

and met with both the leaders of the ruling junta and opposition leader Aung San Suu Kyi.[3]

The first week of 2012, accompanied by Defence Secretary Leon Panetta, Obama announced a new military strategy to support this Asia pivot. America would draw down forces stationed in Europe and reduce its overall military strength, while maintaining force levels in East Asia and deploying US Marines to the Philippines and Thailand.

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This article surveys American foreign policy in Northeast Asia since the Cold War, focusing on shared history and current issues. It discusses relations with four key states or entities: Japan, the Republic of Korea (hereafter called Korea), China, and Taiwan. It suggests that Asia is once again becoming central to US policy. The Obama administration's recent "pivot" to Asia is only the latest manifestation of American preoccupation with the region, and heralds an enhanced role for Asia in American thinking over the next decade.

US-Japanese Relations
A History of Mutual Dependence

The United States and Japan first encountered each other as mid-19th century rising Pacific powers. The US sought to open Japan ostensibly to establish ports of call for American whaling ships, and to promote Asian trade. It was also a way to insert itself into the imperialistic politics of Asia. Japan was perhaps fortunate that a relatively small power like the US came to call in 1853, rather than the hegemonic Great Britain, which was preoccupied with its efforts to dominate India and China. It took the Japanese 15 years to fully decide how to respond to Western encroachment, but the Meiji Restoration in 1868 thrust Japan into the modern world along a path of economic and political modernisation. At first, America viewed Japan's transformation positively, as a nation replicating the Anglo-Saxon model, and as a counter to Russia and a collapsing China.[4]

America's positive view gradually changed as Japan aggressively entered the Asia imperialism game. Unlike European powers, Japan's colonial efforts were mostly contiguous, creating immediate tension with other Asian countries. America protested Japan's moves into China in the 1930s, and rising bilateral tension culminated in the attack on Pearl

Harbor. Japan greatly miscalculated American willingness to fight, and paid dearly for it. The subsequent Pacific War (1941-1945) was marked by intense brutality, and ended in Japan's overwhelming defeat. The crushing nature of the victory, followed by the benevolence of the occupation, helped make Japan's political and economic transformation relatively smooth.[5]

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Japan emerged as America's key Asian ally in the 1950s. The first key event that shaped the relationship was the San Francisco Treaty of 1951 which restored Japan's sovereignty after the American occupation; along with the later Mutual Security Treaty, it made Japan America's junior partner in East Asia.[6] The alliance was based on three implicit understandings: Japan would accept an inferior position in return for an American guarantee of its security, Japan would concentrate on economic development and gain access to the US market, and Japan could have a degree of independence in its foreign policy but would do nothing that would challenge the new regional order in Asia or US hegemonic leadership.[7] This trade-off became known as the Yoshida Doctrine after Prime Minister Yoshida Shigeru, and which stated that the US would lead in the security area, and Japan would concentrate on developing its economy. A second key event was the 1960 renewal of the Mutual Security Treaty which, despite anti-treaty riots, put security ties on a more permanent basis.[8] The relationship held through a number of challenges, notably the drawn out reversion of Okinawa, popular opposition to the Vietnam War, and the "Nixon Shocks" of the early 1970s (Nixon slapped punitive tariffs on Japanese exports, and decided to forge a quasi-alliance with China without informing Japanese leaders).

As Japan became one of the world's largest economies in the 1970s, the bifurcated nature of the relationship became painfully clear. While Japan continued to defer to the US on regional and global security, and remained a steadfast Cold War ally, Japanese neo-mercantilist exports and predatory business behaviour created huge trade surpluses with the US, helped destroy several key American industries, and led to a number of high-profile takeovers of American companies. "Trade friction" reached a peak in the mid-1980s, as American calls for appreciation of the undervalued yen led to the Plaza Accord in 1985. Japanese banks and industrial

firms began to recycle export earnings to the US economy, and Japan became America's leading creditor.

The alliance faced its greatest post-Cold War test (and third key event) not in East Asia but in the Middle East. During the 1991 Gulf War, Japan was roundly criticised by American lawmakers and pundits for its failure to robustly support the American-led alliance. Tokyo belatedly pledged US $4 billion (with an additional US $9 billion later) to help defray the US $500 million daily war costs, and dispatched a mine sweeper to the Persian Gulf after the war had ended. Responding to international criticism, Japan within two years undertook two major changes: it markedly increased financial support for US forces in Japan, and committed to joining UN peacekeeping operations. After its first successful postwar overseas troop deployment in Cambodia (1992-1993), it participated in UN operations in several other countries.[9]

Upgrading the Partnership

A fourth key episode was the drafting of bilateral defence guidelines in 1997. Earlier agreements from the 1970s stated that Japan would build up sufficient forces to provide its own self-defence, though the Japanese Self-Defence Force (SDF) would carry out most of its operations within the land and territorial waters of Japan, and would only work with American forces in functional areas such as operations, logistics, and intelligence. After a three-year process, Tokyo and Washington specified conditions under which the two nations would jointly operate in future conflicts. The two militaries would now cooperate in peacetime conditions, would work together to thwart attacks on the Japanese homeland, and would react to regional threats that could affect Japan's security. They also listed new areas of cooperation, such as relief operations of US forces, support in rear areas, and joint work on operations.[10]

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Beginning in the 1960s, various leaders in the Japanese Liberal Democratic Party (LDP), the governing party at the time, sought ways to achieve two goals: greater independence for Japanese foreign policy and more equality in Japanese-American relations. Comprehensive security was an effort in the 1970s to give Japan more breathing room in an era of oil shortages. Meanwhile, Tokyo became a more active partner with America. By the 1970s, Japan funded 75 % of the costs of the US

bases in Japan, and had enacted a range of legal measures to support US forces. Japan's fading economic pre-eminence and China's rising economic power meant that Japan received less attention from American political leaders, and "Japan bashing" gave way to "Japan passing" in recent years. Domestic political changes in Japan in the 1990s, including the meltdown of the pacifist Socialist Party, allowed conservative leaders to promote the notion of Japan as a "normal nation," in other words one that could project its own military might as a great power. The ascent of Koizumi Junichiro to the premiership was a game-changer in that it brought a full upgrading of the Japanese-American relationship. Koizumi believed that the 9/11 attacks created a new global security reality, and that participation in the US-led coalition in Afghanistan would provide an opportunity for Japan to attain both greater independence and equality with America. Koizumi was one of the first allies to pledge support for the US campaign. He pushed the Anti-Terrorism Special Measures Law through the Diet, the Japanese parliament, in October 2001, and then sent Maritime Self-Defence ships to the Indian Ocean in support of the war.[11]

The Iraq War two years later provided an even more potent opportunity for Koizumi to boost ties with Washington. One of the few American allies to pledge support in this war, Koizumi agreed to send an SDF force to do humanitarian and reconstruction work in Iraq. Koizumi was lucky that there were no casualties, and the two-year deployment took place with only mild protests in Japan.[12] Koizumi and US President George W. Bush also generally agreed about the need to put pressure on North Korea about its nuclear weapons programme, and both were equally alarmed about the Chinese military build up. As long as Bush, Koizumi, and Koizumi's LDP successors were in office, the relationship remained fairly close, though disagreements over North Korea surfaced when the US's hard-line stance did not produce tangible results (Japanese leaders were encouraged when Bush's team made some temporary progress with Pyongyang during his last 18 months in office). The two governments made headway on realignment of US bases to limit their impact on Okinawa, the creation of a ballistic missile defence system for Japan, and on allowing Japanese SDF a stronger role in national defence.[13] The two governments also worked together on a range of security issues, such as ballistic missile defence, maritime security, and inter-operability of defence systems.[14]

Perhaps the biggest recent challenge to the bilateral relationship was the landslide victory of the Japanese opposition party, the Democratic Party

of Japan (DPJ), in September 2009. The DPJ platform called for major changes in the alliance, such as gaining more equality in the relationship, promoting stronger regional ties, and lessening the impact of American bases on Okinawa. Once Hatoyama Yukio took office as prime minister, bilateral tensions mounted.[15] However, Japanese people gave the LDP a landslide victory, ejecting the DPJ from power after three years during the general election on 16 December 2012. Japan's recently elected Prime Minister Shinzo Abe met with President Barack Obama on 22 February 2013 in Washington, seeking to reinforce US-Japanese relations in a time of high tensions for Japan, caused by a territorial dispute between Japan and China over the Senkaku/Diaoyu Islands in the East China sea, and a North Korean nuclear test. At the summit with Abe, Obama called the alliance with Japan the central foundation of U.S. policy on Asia.[16]

Futenma

The Futenma issue encapsulates those unresolved tensions in Japanese-American relations. Sixty years after the postwar occupation of Japan ended, Japan still depends on American security guarantees, and a large American military presence remains, but it does not sit easily there. Unwilling to accept large numbers of American military personnel in mainland Japan, Tokyo prefers basing in the southern island prefecture of Okinawa. Over 70 % of US forces stationed in Japan are based there, and bases take up around 30 % of land on the tiny island. Due in part to a string of crimes and various accidents involving US service personnel, there is significant opposition to the bases on the island. While many Okinawans work on the bases, large numbers of people would like to reduce the impact of US operations, and eventually move American bases off the island. After a 1995 rape of a 12 year-old girl by three US servicemen, which sparked mass protests throughout the country, President Bill Clinton and Prime Minister Hashimoto Ryutaro promised to reduce the American "footprint" on the island. Tokyo and Washington later agreed to move 8,000 US Marines to Guam, and to relocate the Futenma Marine Air Station from its urban location to Henoko in northern Okinawa.[17]

The Okinawan prefectural government, along with local environmental activists, has long pressed for the closing of Futenma without relocation to Henoko. LDP leaders were committed to the agreement, but in 2009 the DPJ came to power promising to reopen the issue. The Obama administration dug in its heels, and Secretary of Defence Robert Gates insisted that the agreement would not be renegotiated. Prime Minister Hatoyama

was unable to convince the prefectural leaders to accept the agreement, his position became politically untenable, and he resigned after only nine months in office. The fiasco indicated a clear political failure by the DPJ to transform the incident: attempting to follow public opinion on the issue, it politicised security policymaking, but was not able to come up with coherent policy alternatives, and bilateral security policy outcomes remained largely unchanged.[18] Curtis, for one, suggests that the Obama administration deserves much of the blame for the crisis, especially for Secretary of Defence Robert Gates putting pressure on Hatoyama's government immediately after the election, and then Obama's reluctance to help the prime minister as he began to flounder.[19] The Futenma agreement remains in place but, 16 years after the rape incident, it is uncertain when the base will be moved.

Recent Issues

The 11 March 2011 earthquake, tsunami and nuclear disaster precipitated the worst humanitarian and political crisis in Japan of the postwar era. The impact on an already struggling Japanese economy was incalculable, and the sluggish handling of the crisis led to the downfall of Kan Naoto, Hatoyama's successor as prime minister. Ironically, the disaster's aftermath marked an upswing in US-Japanese relations as American military units stationed in Japan assisted in relief operations in the Tohoku region (called Operation Tomodachi, or "friend"), and US government agencies advised their Japanese counterparts on dealing with the crippled Fukushima Daiichi nuclear plant. Overall relations had been improving since mid-2010, when a Chinese fishing trawler rammed a Japan Coast Guard vessel in the East China Sea. A mini-crisis over Japan's holding of the boat's captain was averted when Kan agreed to return him to China, but this hurt the prime minister's public approval. Suddenly, Tokyo's old fear of a rising China trumped any desire to equalise relations with America, and the DPJ government began to realise the value of the alliance.[20]

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Japanese and American policymakers have worked to reduce economic

friction over the past decade, and have cooperated on economic recovery since the 2008-2009 global recession. Gone were the high-profile trade disputes of the 1980s and 1990s, despite continued Japanese trade surpluses, and Tokyo did not protest the Obama administration's efforts to revive the American automobile industry. Japan has attempted no major devaluation of its currency to take advantage of the recession, and continued its conservative monetary and fiscal policy. Tokyo and Washington have discussed new frameworks for cooperation, including agreement to take bilateral issues to the World Trade Organisation (WTO), drafting new sector-specific agreements, and creating a bilateral free trade agreement (FTA).[21]

Obama's policy pivot to Asia was taken in part to reassure Japanese leaders, especially DPJ leaders who felt that the US had sabotaged Hatoyama over the Futenma issue. Obama sees the Japan alliance as bedrock for his Asia policy, since American forces will continue to be based in Japan for the long term. For their part, Japan's DPJ leadership by 2011 seemed much more willing to cooperate with the US on Asia-Pacific regional and security issues. Japan's January 2012 announcement that it wished to join multilateral negotiations on the TPP indicated that the DPJ had embraced the LDP policy to link efforts towards regional integration to continued strong trade ties with the US. The need to keep diversified trade relations became manifest in late 2011 and early 2012, as increased energy imports due to a post-tsunami nuclear shutdown combined with softness in the Chinese market caused Japan to run its first general trade deficits in a generation.

US-South Korean Relations
A Shared Threat Relationship

America's relations with South Korea are a bond forged in blood, and are dominated by one issue: the threat to the South from North Korea. US troops occupied the southern half of the peninsula at the end of the Second World War, while the Soviet army took the northern half. The wartime allies agreed that the two halves would be reunited into a democratic Korea, but they could never agree on the terms under which an election would take place. In 1948, the Democratic People's Republic of Korea (DPRK) under the Soviet-installed leader Kim Il Sung, and the Republic of Korea (ROK) under the authoritarian Syngman Rhee (Lee Sung Man) began as separate states. Soviet and American forces withdrew from the peninsula, and the Americans unintentionally signalled that they would not defend the South if it was attacked. North Korea invaded the ROK in June 1950 and the Truman administration quickly intervened in

the conflict. The ensuing Korean War lasted over three years, taking the lives of over one million Koreans, perhaps 300,000 Chinese, and more than 33,000 Americans.

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When the war ended in the stalemate of an armistice, American troops remained in the impoverished South, which was incorporated into the US-East Asian alliance. Like Japan, the ROK signed a mutual security treaty with Washington, and America provided heavy military and economic aid to the struggling country. Since the 1950s, the primary motivation of the Korean-American alliance has been to prevent another North Korean attack on the South. Unlike Japan, South Korea faced an antagonistic state bound on its destruction across a heavily fortified border, the ironically named Demilitarised Zone (DMZ). Outside threats to the country were more immediate, and the American role in the defence of the country more heavy handed and direct. American forces were intended as a "trip-wire," i.e., sufficiently large that Pyongyang would always know that, in the event of another Korean war, they would again face overwhelming American firepower. This deterrence has apparently worked. Despite various attempts to destabilise the South with infiltration, assassination attempts and terrorist acts, North Korea has never mounted a sustained breach of the armistice, at least until two serious incidents in 2010.

Also unlike Japan, Korean politics remained authoritarian under Rhee's traditional strong-man government until 1960, and then under the military governments of Park Chung Hee and Chun Doo Hwan from 1961 until 1987. However, Korea followed a Japanese-style state-led, export-oriented growth path, and its economy took off in the 1960s, achieving very high growth rates in the 1970s and 1980s and becoming one of the prosperous East Asian "Tiger" economies (or newly industrialising economies). As with Japan before it, bilateral trade issues emerged as sources of friction from the 1980s onward. Trade disputes have been generally more muted than those with Japan, and the two allies concluded a free trade agreement in 2007 (see below).

With the collapse of the Soviet Union in 1991, North Korea lost its most important source of foreign aid and trade, and its economy cratered. The nature of the northern threat now shifted, as the DPRK was now trapped in its own self-

reliance (*Juche*) ideology and seemed like a dangerous wounded animal. It was at this point that the North began to develop nuclear weapons, leading to the first nuclear crisis in 1994. This was defused with the Agreed Framework, by which Pyongyang would give up its weapons programme in return for a non-weapons grade reactor and a supply of fuel oil. In the midst of the crisis, Kim Il Sung died, leaving the country in the hands of his son, Kim Jong Il. A subsequent crisis over missile development led to another deal in 1998. Due to poor agricultural practices, the country descended into a prolonged famine, but the Clinton administration made progress towards normalisation of relations in its last year. The South Korean governments of Kim Dae Jung and Roh Moo Hyun tried to engage the North through their "Sunshine Policy," but it produced limited results.[22]

The George W. Bush administration was uninterested in accommodation with Pyongyang, and saw North Korea as regional threat equal to that of Iraq or Iran in the Middle East. The North's admission that it was refining uranium sparked a long-running second nuclear dispute. The DPRK claimed that it tested its first nuclear device in 2006, and experts debated over whether the country might already possess several weapons. Bush's insistence that the communist regime agree to give up nuclear development as a precondition for bilateral talks accomplished little, and so American negotiators tried informal bilateral talks, leading to the North's agreeing to dismantle its nuclear facilities. The Obama administration refused to follow what it viewed as largely reactive approaches of Clinton and Bush. North Korea reacted to perceived US indifference by going back on the nuclear deal, and a series of provocations, including another nuclear test in 2009, the sinking of the ROK corvette *Cheonan* in early 2010, and shelling of ROK-controlled Yeongpyeong Island off the west coast at the end of the year.[23]

Current US-Korean Issues

The Bush administration concluded a free trade agreement (FTA) with Korea in June 2007. Despite significant opposition in both countries, the agreement was ratified by the US Congress in October 2011 and by the Korean National Assembly the next month. The FTA is the largest for the US outside North America, and significantly lowers tariffs and encourages lessened regulation of key sectors such as automobiles and beef. Within five years, the agreement will eliminate tariffs on 95 % of traded goods, and both sides committed to opening up trade in services.[24] Implementing the agreement in ways that avoid protectionism on

either side will test the agreement going forward.

North Korea remains the most important concern between the two allies. While liberals Kim Dae Jung and Roh Moo Hyun publicly opposed Bush's hard-line approach, Lee Myung Bak has been eager to work with both Republican and Democratic administrations, and his approach to Pyongyang parallels that of the Obama administration. Both leaders have insisted that they will not reward the North for provocations, and will insist on good-faith negotiations through established north-south and six-party talks mechanisms. Since the Youngpyoung Island incident, Lee has maintained a hard-line stance towards North Korea, but support for his ruling Grand National Party (renamed the *Saenuri*, or New Frontier, Party in February 2012) has fallen.[25]

According to a Council on Foreign Relations (CFR) task force, the North's nuclear stockpile represents the "gravest threat" in the region, and this includes multiple problems: the nuclear devices themselves, their relationship with advanced missile technology, and chances that nuclear technology or materials might be given to other nations or groups, especially in the Middle East. The task force noted that these issues have become more difficult due to an "unpredictable" and "reclusive" regime whose future is uncertain, and progress in persuading that regime to give up its nuclear programme has been "elusive," as the six-party talks have remained stalled since 2008. The CFR called on the Obama administration to use a combination of sanctions, incentives, "sustained political pressure," and cooperation with China to achieve the goal of denuclearisation.[26]

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North Korea's medium and long-range missiles also remain a concern to both allies. Pyongyang has substantially upgraded its missile arsenal since an earlier agreement with the Clinton administration in 1998 to curb development. The DPRK may have 800-1,000 medium-range missiles, including 600-plus Scud-types and 200 Nodongs, which were developed by the North on its own. It has made progress with its long-range Taepodong-2 missile, tests for which were only partially successful in 2006 and 2008. Most worrying for the US, the North tested the very long-range Unha-2 missile, which could reach the western half of the continental US

in 2009. The North has also exported its Nodong technology, and Pakistani Ghauri and Iranian Shahab rockets are based on it.[27]

Ultimately, many observers note, comprehensive negotiations with Pyongyang may be needed. Perhaps the most effective approach would be a "package deal" in which the DPRK would trade its nuclear weapons (and maybe missile development and a basket of market-oriented reforms) for recognition, aid, and non-aggression pledges from South Korea, Japan, and the US. The North's desire for regime survival may be key to its embrace of such an approach, and China's involvement in such negotiations could help reassure Pyongyang of continued political support during implementation.[28]

US-Chinese Relations

Love and Loathing Between Two Great Powers

For 2,000 years of its long history, China was the predominant East Asian power, and most countries on China's borders acknowledged the "Middle Kingdom" and its emperor as their suzerain. Due to population pressures, economic stagnation, and gradual encroachment of Western powers, that dominance waned during the "century of shame" from 1839 to 1949. The 1911-1912 revolution easily swept aside the Qing dynasty, but the successor republican government was unable to consolidate political power until the 1930s. Just as that was happening, Japan conquered much of the industrial and agricultural heartland of the country, eventually plunging China into the Second World War.

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By contrast, the young and dynamic United States expanded across the North American continent, enjoyed heady economic growth averaging roughly 4 % per year, built the world's largest industrial structure, became the world's leading economic and military power by 1945, and led the Western allies to victory in the Second World War. Unlike the other Western powers, America never made any territorial claims in China. Benefiting from the "China trade," it pushed for an even-handed "Open Door" policy in China. During the Second World War, US air and ground forces fought alongside the Chinese army, American aid propped up the Chinese economy, and US advisors assisted Communist forces in the north.

The sudden triumph of Mao Zedong's Communists in the civil war (1947-1949) shocked the Americans and, in the tense climate of the early Cold War, conservatives questioned "who lost China?" The massive corruption and ineptitude of the ruling Guomindang party (the Nationalist party) virtually guaranteed their ousting, but the "fall" of China seemed like a major defeat in the developing global struggle. There were then two Chinas: the Peoples Republic of China (PRC) on the mainland and ruled by the Communist Party, and the Republic of China on Taiwan ruled by the Guomindang. American and Chinese forces battled each other in the Korean War and, as a result, the two countries had no formal relations for over 20 years and the US fully embraced Guomindang-ruled Taiwan. A low point in Sino-American ties came at the 1954 Geneva Conference on Indochina, when US Secretary of State John Foster Dulles reportedly refused to shake hands with Chinese Premier Zhou En-lai. The two countries also faced off in two crises in the 1950s over the Taiwan Strait. American elites and public viewed China as part of a Communist monolith, and were slow to grasp a growing rift between the Soviets and Chinese. The John F. Kennedy administration even contemplated bombing China's nuclear weapons facilities.[29]

The election of Richard Nixon as US president changed everything. Nixon had been one of the most ardent Cold Warriors, often lambasting "Red China," during the 1950s. By 1968, the realist Nixon saw an opportunity to exploit a growing Sino-Soviet rift and create a triangular diplomacy that would allow the US to manage great power relations, nudge the Soviets towards negotiation in the superpower arms race, and allow a political settlement of the Vietnam War, which had become a US quagmire. For China's leaders, re-establishing relations with Washington could gain valuable manoeuvring room and relieve Soviet pressure (the two Communist giants fought a brief border war in 1969, and Nixon insisted that the Soviets back off from a full-blown attack on China). Beijing and Washington cautiously edged towards rapprochement, culminating in Nixon's visit to China in 1972. On the trip's final day, the two sides issued the Shanghai Communiqué, which became the basis for all subsequent Sino-American relations. It called for the two sides to work towards normalised relations, for the US to accept Beijing's One China concept (i.e., that the PRC allows for only one China, either in Beijing or Taipei, to have diplomatic recognition), and for Taiwan's status to be resolved peacefully. Americans now viewed China quite favourably, business ties began to grow, and bilateral good feelings lasted well into the 1980s.

Jimmy Carter took the next step by formally recognising the People's Republic of China in 1979, and ending formal ties with Taiwan. China quickly became a quasi-ally of the US, and the two nations' militaries shared intelligence. Ronald Reagan, who had been one of Taiwan's staunchest defenders, as president accepted the alliance with China in the interest of defeating the Soviets in the Cold War. Trade and other bilateral tensions emerged, and the Communist Party remained determined to hold onto its political power monopoly.

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Both powers gained significantly from rapprochement. The US got China to abandon the path of revolutionary change abroad, and to focus on trade-friendly, market-friendly economic development. Beijing also obtained US assistance to re-enter the global economy. Deng Xiaoping's "reform and opening" policies created a hybrid socialist-capitalist economy that became a major trading nation and one of the world's largest economies. The quasi-alliance also helped bolster America's "weakened position" in Asia, and to step up containment of the Soviet Union in the wake of the perceived loss in Vietnam War. China got to be taken seriously as America's partner in the Cold War, and the Chinese pressure on the Soviets may have hastened the end of the global conflict.[30]

The 1989 bloody crackdown on pro-democracy protesters in Beijing was a major turning point, as it forced a reassessment on both sides of the Pacific. George H.W. Bush, another realist, tried to continue the relationship, but high-level contacts remained largely frozen. His successor, Bill Clinton, came to office with promises to get tough on human rights but, in his second term, moved to create a "strategic partnership" on trade and security and pushed for Chinese membership in the WTO. George W. Bush faced a mini-crisis only three months into his term when a US spy plane was forced to land on Hainan Island. The issue was hastily defused, and bilateral relations quickly warmed up after the 9/11 attacks. China was one of the first countries to support the Bush administration's "Global War on Terrorism". In return for support of American efforts in South Asia and the Middle East, the US took no action against China for its suppression of Uighur nationalists in the western Xinjiang province, and issued relatively mild condemnations of a 2008 Chinese

crackdown in Tibet. During the Bush years, there was a good deal of discussion of the implications of the "rise of China". Much of the American elite reacted negatively to China's semi-official notion of a "peaceful rise", which Hu Jintao then reformulated as a "harmonious international society". A number of bilateral strains began to surface in 2004-2005, including American concern over China's overtures to the Association of South East Asian Nations (ASEAN) member countries and Latin America.[31]

Current and Emerging Bilateral Issues

The Obama administration has taken a harder line with China since early 2011. China has done a "range of things," asserted Obama in his press conference after the APEC meeting, "that disadvantage not just the United States but a whole host of their trading partners in the region… enough is enough."[32] The US has been particularly concerned by China's assertion of territorial claims in the East and South China Seas, and its refusal to condemn its North Korean ally after Pyongyang's 2010 provocations. American officials also have expressed alarm over China's military build-up and double-digit spending increases since the early 1990s,[33] while concern about Chinese suppression of human rights and religious freedom is never far from the surface.

Despite these recent strains, China has generally adopted a conciliatory foreign policy line over the past 20 years, focused on improving relations with both regional neighbours and the US, and robust multilateralism. China now cooperates more completely with international non-proliferation initiatives.[34] It has also resorted to use of "positive nationalism," which is much more pragmatically and is economically oriented, yet is more harshly reactive and defensive than its ideological Maoist counterpart.[35] This nationalism has often impacted relations with other major powers, most notably in the anti-American protests after the bombing of the Chinese embassy in Serbia during the Kosovo War (1999).

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China's "peaceful rise" has enhanced its ability to use soft power and economic power to reassure neighbours and make friends in both developing and developed countries.[36] The "unrestricted" nature of China's economic aid and loans, i.e.,

with no political conditions attached, has gained it many potential allies in Africa and Latin America. China's huge state-owned enterprises and sovereign wealth funds, with vast funds and no shareholder accountability, can sustain losses for extended periods. Even so, China may not yet be completely competitive with the US and its Western allies, since it has a "narrower base" and limited experience abroad. The latter has led to various socio-cultural conflicts and misunderstandings, especially in Africa.[37]

America's China policy is continually constrained by economic interdependence. US officials upbraid China on a range of issues beyond China's growing trade surplus, such as its undervalued currency, the yuan, limited intellectual property protection, curbs on rare earth exports, and various forms of protectionism. For its part, China accuses the US of heightened protectionism since the financial crisis. However, America cannot afford to alienate the Middle Kingdom, due to continued reliance on China to fund its budget deficits and to fuel its stock markets. American companies depend on China as a manufacturing platform and market. The 2008 financial crisis was a chance to get China to partially coordinate its economic policies with the US.[38] The centrality of the Sino-American economic relationship has led various pundits to suggest that the two countries would shape the management of the globalised economy through a "G-2" arrangement. Given obviously diverging interests on such matters as climate change and global governance, that is probably fanciful, but the notion underlines the importance of bilateral economic ties.

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A recent Beijing foreign policy white paper noted that the external environment is becoming more challenging and, like America, sees the Korean peninsula as one of the most troublesome. To be sure, 21st century great power competition in East Asia will be largely shaped by Sino-American competition. The question is whether this will result in a second Cold War, or even military conflict. China clearly seeks a return to its traditional dominance of East Asia, and this could undoubtedly create tensions with three other regional powers, namely the US, Japan, and India. Beijing hopes gradually to push the US out of what it calls the first island chain (the Ryukyus), to the second chain (the Marianas), and

eventually the third chain (Hawaii). As a Pacific power, America has no intention of pulling back from the Ryukyus for the foreseeable future, and it would never leave US territories in the Marianas. Obama announced at the 2009 ASEAN Regional Forum a return to Southeast Asia, and has opposed Chinese moves in the South China Sea.[39] The challenge for China is to improve its constrained geostrategic position while not openly threatening either neighbours or America, and the challenge for America is to maintain its forward position in East Asia and robust economic ties with China while avoiding great power conflict in the region or globally.

America and Taiwan: A Special Relationship

The thorniest issue between the US and the PRC has always been Taiwan. Though it has had no diplomatic relations with the US since 1979, the island enjoys a particularly close informal relationship with the US that shares similarities with the even closer but formal Israeli-American relationship. Both Taiwan and Israel are small, politically isolated, embattled states facing larger hostile powers within their respective regions. Both countries have been, to varying degrees, shunned by some of the international community, in Taiwan's case maintaining diplomatic recognition with only 23 nations, mostly aid-seeking states in Central America, the Caribbean, and West Africa. Both countries have depended on US military aid and economic assistance (access to US markets and investment, along with sales of military equipment for Taiwan). Both have long been protected by powerful political lobbies and bipartisan political coalitions in Washington, the longstanding "China lobby" and conservative Republicans in Taiwan's case.

The Taiwan relationship traces its roots to Americans' sentimental attachment to "Free China" before 1949. American traders, missionaries, and writers presented the Chinese as a noble people that needed to be saved from war and poverty. During the Second World War, the Guomindang regime of Chiang Kai-shek appeared in American propaganda as a stalwart ally, and the Truman administration outraged conservatives by cutting off military aid during the subsequent civil war, but quickly embraced the Guomindang during the Korean War.

With US support, Taiwan retained China's seat on the UN Security Council for a generation. US forces were stationed in Taiwan, and the Seventh Fleet patrolled the Taiwan Strait. All this suddenly changed in 1971, when America did not oppose a resolution to

give China's seat to the PRC (Taiwan walked out of the General Assembly before the vote). As the price for US recognition of the PRC in 1979, Congress passed the Taiwan Relations Act. This legislation specified that America would continue informal relations with Taiwan, and guaranteed that the island would continue to be supplied with the latest military hardware so that it could keep up with the mainland. Military sales to the Taiwan have been a constant source of strain with Beijing. Approving a moderate US $5.85 billion sales package in September 2011, Obama attempted to satisfy Taiwan while not antagonising China.[40]

Like Korea, Taiwan became a dynamo industrial and high tech economy, and its IT industry was heavily tied to America's Silicon Valley.

As Sino-American relations warmed, American interest in Taiwan cooled only slightly. Like Korea, Taiwan became a dynamo industrial and high tech economy, and its IT industry was heavily tied to America's Silicon Valley. The island gained much legitimacy with Americans by becoming (also like Korea) a full-fledged democracy in the 1990s. The Taiwanese issue came to the fore again in 1995, when the Clinton administration permitted Taiwan's President Lee Teng Hui to visit his alma mater, Cornell University. Beijing was outraged, since it seemed like an American acknowledgement of Taiwan officialdom, and this led directly to the third Taiwan Strait crisis the next year: China tested missiles and conducted war games, as two US aircraft carrier groups patrolled north and south of the island. Both countries backed away from the brink, but Chinese leadership was determined to erase its military disadvantage in the Strait, and so accelerated its military build up.

The US-Taiwanese relationship was strained with the election of Chen Shui Bian, leader of the opposition Democratic Progressive Party, in 2000. A Taiwanese nationalist, Chen wanted to push towards eventual independence from China by creating a Republic of Taiwan that would replace the Taiwanese Republic of China. China became increasingly angered by Chen's moves, which they viewed as violations of the One China principle. The Bush administration found Chen irritating, as his actions distracted from Washington's efforts to cultivate China as a partner in the Global War on Terror. Under US pressure and suffering from personal scandals, Chen moderated his rhetoric in his last years in office. Guomindang leader Ma Ying-jeou, who won the presidency back in 2008, and was subsequently re-

elected in 2012, has begun to build a more cooperative relationship with the mainland. His efforts have been viewed more positively by US officials. Taiwan's government seeks to upgrade relations with Washington by concluding a free trade agreement, a visa waiver programme, and an extradition treaty, while resuming cabinet-level visits to the US. So far, none of these has been concluded.[41]

Conclusion

China's recent assertiveness has encouraged various Asian countries to upgrade relations with the US. Openings to Vietnam and Burma have been applauded by both realists and liberals as a "new paradigm in international relations": a judicious application of balance of power politics that can advance human rights and democracy.[42] However, intractable conflicts remain, and the pivot is unlikely to have any immediate effects on regional hot-spots, such as the Korean peninsula. America may only be able to make gains there to the extent that it is able to work with other parties, especially China.[43]

Is America's pivot to Asia likely to remain a long-lasting development? So far, Obama has had more room to manoeuvre than his two predecessors, who also sought to shift to Asia but were diverted by events elsewhere.[44] Hillary Clinton insists that the future of global politics will be decided in Asia. Asia, she declares, is the "key driver of global politics," and that is "misguided" to merely "come home" as the Iraq and Afghanistan wars wind down. "Harnessing Asia's growth and dynamism is central to American economic and strategic interests".[45] From a realist perspective, America naturally will stay in Asia as it tries to check the rise of China as a strategic competitor.[46]

> The importance of trade and economic development naturally suppresses age-old natural strategic rivalries in the region, and assists East Asia's multilayered regional integration centred on ASEAN.

Assessments of Obama's foreign policy have been mixed in political circles, but many media and academic assessments have been fairly positive, one noting that "on balance, Obama has proved tough, disciplined and, overall, reasonably successful."[47] For the short term, much will be determined by, among other things, the state of the American economy. Observers have questioned the sustainability of an Asia-centred strategy, and the pivot could be more like an Indian summer of American power in

the region.[48] However, given East Asia's centrality in the global economy, any Republican successors are unlikely to completely abandon this Pacific shift.[49]

Despite periodic crises over North Korean missiles and nuclear weapons, and concerns about Chinese assertiveness in the East and South China Seas, there are many reasons to be optimistic about Asia's future. First, as the most economically dynamic region in the world, Asia generates perhaps a third of global production and trade. Second, the importance of trade and economic development naturally suppresses age-old natural strategic rivalries in the region, and assists East Asia's multilayered regional integration centred on ASEAN. Third, Japan has played generally constructive regional economic and political roles, and Asian suspicions about its history and possible re-militarisation make it a quite cautious power. Fourth, China has proved a fairly cooperative international player since the mid-1990s, and has committed itself to working with other East Asian countries, the US, and the wider international community.[50] America has clearly signalled that it intends to perform its traditional role as a major power in East Asia, and that it intends to upgrade its regional presence for the foreseeable future. And that constitutes a fifth reason: America will continue to act as East Asian stabiliser.

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