

IN RETROSPECT: ASSESSING OBAMA'S ASIA REBALANCING STRATEGY

by Uriel N. Galace

United States President Barack Obama sought to re-invigorate the US' primacy in the Asia Pacific with a speech to the Australian Parliament in November 17, 2011, announcing a new foreign policy towards the region.¹ Dubbed the “rebalancing strategy,” this plan sought to expand American presence within the Asia-Pacific by forging closer military, trade, and people-to-people ties with various states across the region. According to the White House, this strategy has been made necessary because “Asia and the Pacific is increasingly the world’s political and economic center of gravity” and the US would be remiss not to leverage the opportunities the region has to offer.²

With Obama’s term winding down and president-elect Donald Trump set to take the reins as US commander-in-chief, now is the appropriate time to look back and assess the effectiveness of this strategy. This commentary evaluates the impact of Obama’s rebalance by examining the strategy across three dimensions—political/military, economic, and socio-cultural.

Political/military impact

The focus of Obama’s rebalancing strategy has been to expand US military presence across the Asia-Pacific. The reason for this is twofold. Firstly, Asian countries have increasingly sought greater US presence in the region to serve as a counterweight to the muscular foreign policy of Beijing. Secondly, and perhaps more importantly, the US has come to view China as its principal rival to regional hegemony, given the latter’s status as a rising power. Consequently, although the Obama administration has gone to great lengths to assert that it welcomes China’s rise, in reality, the US has worked to bolster its presence in the region as part of its “containment strategy” towards China.³

In order to accomplish this, Washington has sought to enhance existing military agreements with its treaty allies—namely, the Philippines, Australia, Japan, South Korea, and Thailand—while forging new ties with so-called “emerging partners” such as Indonesia, Malaysia, Singapore, and Vietnam.⁴ With the Philippines in particular, the US has sought to increase cooperation through the Enhanced Defense Cooperation Agreement (EDCA). “The [EDCA] is mutually beneficial, enhancing our ability to provide rapid humanitarian assistance and help build capacity for the Armed Forces of the Philippines through interoperability, capability development, and modernization,” says Molly Koscina, Press Attaché of the US Embassy in Manila.⁵ All in all, these military alliances have served to “enhance US defense posture in the region” as Washington “prioritizes Asia for its most advanced military capabilities,” the White House says.⁶

Despite these accomplishments, it is questionable whether this strategy has ultimately been effective in achieving its implicit goal of containing China. Beijing’s strategy of ignoring the ruling of an international tribunal in The Hague that invalidated most of its claims in the South China Sea appears to have paid off. Reports have surfaced that Philippine President Rodrigo Duterte is willing to “set aside” the arbitral decision in his quest to strengthen Manila’s bilateral relationship with Beijing.⁷ Meanwhile, there are signs that other Asian countries may soon follow in Duterte’s lead, as Malaysia⁸ and Vietnam,⁹ which both have overlapping maritime claims with China in the South China Sea, have attempted to downplay the dispute and forge closer ties with Beijing after witnessing the economic benefits to be gained from being in its good graces.

Economic impact

The Asia-Pacific has increasingly taken on outsized strategic importance for US economic interests. In 2015, US goods and services traded with China totaled an estimated US \$659.4B, making it the US’ 2nd largest trading partner (the US is China’s

largest trading partner)¹⁰. Similarly, trade in goods between the US and ASEAN exceeded US \$226B last year, making ASEAN the US' 4th largest trading partner (the US is ASEAN's 3rd largest trading partner).¹¹ As such, Washington has an enormous interest in ensuring the continuous free flow of trade and investment in the region.

The Trans-Pacific Partnership (TPP) forms the economic bedrock of Washington's rebalance to Asia strategy. The TPP is a landmark agreement involving 12 Pacific Rim countries that "eliminates or reduces tariffs, lowers the cost of trade, and sets new and high standards for global trade while addressing next-generation issues."¹² It is expected to generate an additional \$225 billion for the world economy by 2025.¹³ Writing of the trade agreement for *Foreign Policy* magazine when she was still US Secretary of State, Hillary Clinton said that the goal of the TPP is to "serve as a platform for broader regional interaction and eventually a free trade area of the Asia-Pacific."¹⁴

Although Washington continues to market the TPP abroad as a "high standard, 21st century trade agreement that provides for fair competition and strong protections for workers, the environment, intellectual property and human rights," as the US Embassy in Manila iterated,¹⁵ at home, it is sold to American officials as a mechanism by which the US can ensure that it writes the rules of trade in the Asia-Pacific so that other countries "play by [US] rules and [US] values."¹⁶ In this way, through the TPP, Washington can ensure that it—not Beijing, which is excluded from the agreement—is able to exert influence across the region.

However, with the ascendancy of Trump, who ran on an anti-trade platform, to the US presidency, it is widely believed that the TPP is now essentially dead in the water. This has caused numerous countries—including the Philippines—to look elsewhere for regional trade agreements, according to Philippine Finance Secretary Carlos Dominguez III.¹⁷ One such arrangement is the Regional Cooperation Economic Partnership, an ASEAN-led proposal for a free trade area that includes all ASEAN-10 countries, plus China, India, Japan, Korea, Australia, and New Zealand—but notably excludes the US. If the countries in the region choose to sign this trade agreement rather than the TPP, it would represent a big blow to Washington's ambitions to write the rules of trade in the Asia-Pacific.

Socio-cultural impact

In addition to its political and economic facets, another often overlooked but key pillar of the Asia rebalancing strategy is strengthening people-to-people ties between the US and the countries of the region. As Susan Rice, the US National Security Adviser to the President, writes, "the Asia Rebalance is not only about our engagement with other governments. Another core of our approach is about engaging with people across the region."¹⁸

The most notable element of this pillar is the Young Southeast Asian Leaders Initiative (YSEALI), a program personally initiated by Obama himself. YSEALI is a capacity-building program that seeks to develop the skills of its participants and allow them to forge networks with their peers in Southeast Asia, thereby enhancing regional integration—all with the goal of empowering the youth to develop their respective communities. Since its inception in 2013, YSEALI has grown to over 100,000 members,¹⁹ with the Philippines having the most members among participating countries. Other people-to-people programs of the US government which were continued during Obama's term include Fulbright, the International Visitor Leadership Program, and the Kennedy-Lugar Youth Exchange and Study program.²⁰

Of the three dimensions evaluated in this commentary, it is arguably the socio-cultural one that has been the most effective. Through YSEALI and other people-to-people programs, the US is able to engage in a form of "cultural diplomacy" whereby it is able to "win the hearts and minds" of its participants and inculcate in them American norms and values. In doing so, Washington may be able to influence these individuals to adopt pro-American attitudes and leverage this network to support its national interest in the future.

Conclusion

In the end, Obama's Asia rebalancing strategy has produced mixed results. Although Washington has succeeded in enhancing US military presence in the Asia-Pacific, it has failed to prevent Beijing from flouting international law and throwing its weight around in the region. Although it has succeeded in forging closer people-to-people ties, it has been unable to follow through with a proposed trade deal that secures its economic interests. With Obama working now to transition the presidency to the mercurial Trump, there is considerable uncertainty regarding how US relations with the Asia-Pacific will play out going forward. ❀

Endnotes

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