

# WebMemo



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## President Obama's Pacific Swing: Commitment Means More Than Just Showing the Flag

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On November 11–19, President Barack Obama will embark on a critically important trip through the Pacific, beginning at the Asia-Pacific Economic Cooperation (APEC) in Hawaii through Australia and ending at the East Asian and U.S.–ASEAN Leaders Summit in Indonesia. He deserves credit for a symbolically powerful agenda that is crafted to demonstrate America's commitment to the Asia-Pacific.

But going through his well-prepared diplomatic paces is not going to be enough to assure the region of America's staying power. Commitment is measured in the substance of presidential visits and in the follow-up.

**APEC, TPP, and Economic Statecraft.** Accounting for half of global gross domestic product, half the world's trade flows, and 40 percent of its population, APEC is an important multilateral institution for promoting and facilitating trade liberalization. At the APEC Leaders Summit in Honolulu, President Obama has a unique opportunity to build upon the recently passed South Korea, Colombia, and Panama free trade agreements; promote U.S. exports; and drive U.S. trade policy forward. The U.S., as the host nation, has set the agenda to focus on strengthening regional economic integration, expanding trade, promoting green growth, and expanding regulatory cooperation.<sup>1</sup>

The most important item at this year's APEC, however, will be addressed on its margins: the Trans-Pacific Partnership (TPP). The nine-nation

TPP seeks to liberalize trade and investment among parties, drive reform efforts among APEC economies not yet part of the negotiations, and ultimately serve as the basis for an APEC-wide free trade area of the Asia-Pacific. All eyes at APEC will be on two TPP-related developments: the unveiling of a broad outline of the agreement to serve as a marker for continued negotiations and Japan's widely anticipated decision on whether to join the talks.

**Australia: Celebrating 60 Years of Alliance.** Next, President Obama will travel to Canberra and Darwin, Australia, to strengthen bilateral relations and celebrate the 60th anniversary of the U.S.–Australia Alliance after having already planned—and canceled—two previous trips down under.

The alliance has never been more relevant, with a shifting security paradigm and the emergence of new challenges. September's Australia–U.S. Ministerial Meetings laid this trip's foundation with the most proactive joint statement in recent years. President Obama's visit, his address to Australia's Parliament, and his visit to Darwin—Australian geography most relevant to the current impasse in the South China Sea—will signal an intensification

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of alliance cooperation now long underway in earnest at lower levels.

President Obama and Australian Prime Minister Julia Gillard are expected to announce an agreement on increased military cooperation, including enhanced American access to Australian military bases, pre-positioning of equipment, and more joint training and exercising. In the words of Australia's minister of defense, this will essentially mean "more (American) troops in, troops out, more planes in, planes out and more ships in, ships out."<sup>2</sup> Second, the trip provides the impetus for the Australian Parliament to ratify the Australia–U.S. Treaty on Defense Cooperation, an agreement concluded by the Bush and Howard governments to ease the provision of U.S. military equipment and services to Australia.

The alliance remains critical in maintaining regional stability, and President Obama's trip should continue the momentum toward cooperating on 21st-century threats.

**East Asia Summit: A First for an American President.** Comprising 18 Asian nations—including India, Russia, and the U.S.—the East Asia Summit (EAS), hosted by the ASEAN chair, promotes dialogue and cooperation primarily on security-related issues. Defense Secretary Leon Panetta remarked that he looks forward to the EAS "becoming the premier institution for discussing strategic and security issues."<sup>3</sup>

This is America's first year of full membership, and, while some may advise the U.S. to maintain a relatively low profile, President Obama should seize the momentum that new membership provides, push toward actionable results on security matters, and make common cause with other countries in the region (including Japan, India, the Philippines, and Vietnam) to balance growing Chinese influence.

Obama's agenda currently involves discussing maritime security, nuclear nonproliferation, and humanitarian assistance and disaster relief. As Asia's primary security guarantor, the U.S. should use these discussions to remind EAS participants that the U.S. will continue to play its historical role as protector of the sea lanes, maintain stability across the region, and increasingly seek to cooperate with partners on shared security interests.

Amid growing uncertainty regarding both traditional and nontraditional security threats, Asia clamors for a decisive leader and potential counterweight to China. President Obama, on his EAS debut, should demonstrate that the U.S. will remain that leader.

**What the Administration Should Do.** To maximize potential benefits from his swing through the Pacific, President Obama should

- **Express solidarity with the nations struggling with Chinese revisionism and bullying in what it calls the "near seas" of its east coast.** In 2010, Secretary of State Hillary Clinton, encouraged by Vietnamese leadership and other sympathetic voices in ASEAN, brightly marked America's vital interests in freedom of navigation and the peaceful resolution of disputes in the South China Sea, involving, if necessary, U.S. facilitation. The U.S. has clearly staked out a position in favor of multilateralizing the dispute and asserting its own interests in the matter. For President Obama to do any less would be perceived not as tactical maneuvering but strategic retreat.
- **Welcome, in consultation with congressional leaders, Japan's participation in the TPP.** Inclusion of the world's third-largest economy would make the TPP multiple times more relevant to global trade and investment. Prime Minister Yoshihiko Noda will be taking a major political

1. U.S. Department of State, "The United States and APEC: U.S. Hosts Honolulu Meeting, November 8–13, 2011," October 24, 2011, at <http://www.state.gov/r/pa/plrmo/176030.htm> (November 10, 2011).
2. Stephen Smith, interview with Julia Christensen, ABC Darwin, October 20, 2011, at <http://www.minister.defence.gov.au/2011/10/20/minister-for-defence-interview-with-julia-christensen-abc-darwin/> (November 10, 2011).
3. U.S. Secretary of Defense Leon Panetta, "Statement to ASEAN Defense Ministers," speech in Bali, Indonesia, October 23, 2011, at <http://www.defense.gov/speeches/speech.aspx?speechid=1624> (November 10, 2011).

risk to move this forward. The U.S. should support him.

- **Commit to a meaningful deadline for completion of TPP talks.** Negotiations will almost certainly continue into the next Administration, with all the uncertainties that entails. President Obama can best mitigate the uncertainty by moving forward with a rapid negotiation schedule, aspiring to completion by APEC 2013.
- **Push for Indian membership within APEC.** India's exclusion from APEC is glaring. Its Look East policy and consequent growing interest in the Pacific, as well as its quickly growing economic relevance, makes it a natural fit.<sup>4</sup>
- **Find a place for Taiwan in the emerging economic order of the region.** Taiwan is deeply impacted by passage of the South Korea–U.S. free trade agreement and would be further isolated by Japan's inclusion in TPP. Taiwan was

admitted to APEC long ago. Either it should be a candidate for inclusion in TPP or the U.S. should finally conclude a separate bilateral trade agreement with it. APEC would be an excellent venue for the President to announce U.S. intentions in this regard.

**More Than Just Talk.** Beyond the summit pageantry and speed diplomacy with other regional leaders, President Obama should seize the opportunity of his visit to demonstrate U.S. commitment to the Asia-Pacific and dispel the misperception that the U.S. is in decline and retreat from leadership. He should demonstrate to a skeptical Asia that U.S. diplomatic engagement is far more than just talk. He has an agenda perfectly suited to do that. Now it is up to him.

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4. Lisa Curtis, Walter Lohman, Rory Medcalf, Lydia Powell, Rajeswari Pillai Rajagopalan, and Andrew Shearer, "Shared Goals, Converging Interests: A Plan for U.S.–Australia–India Cooperation in the Indo–Pacific," Heritage Foundation Special Report No. 99, November 3, 2011, at <http://www.heritage.org/Research/Reports/2011/11/Shared-Goals-Converging-Interests-A-Plan-for-U-S-Australia-India-Cooperation-in-the-Indo-Pacific>.