

The Obama Administration's “Rebalancing” Toward Asia and Sino-U.S. Relations^{*}

Zhu Feng[†]

SPEAKING AT THE UNIVERSITY of Hawaii's East-West Center on November 10, 2011, one day before the APEC summit in Honolulu, U.S. Secretary of State Hillary Clinton proposed “pivoting to Asia.”¹ Meanwhile, U.S. President Barack Obama stressed a shift of the country's global economic, security and strategic focus toward the Asia-Pacific region. Subsequently, the U.S. government began using the word “rebalancing” rather than “pivoting” to avoid controversy in domestic politics and among its European allies. For various reasons, however, the “rebalancing” strategy's introduction led many analysts to think it did not have much weight. First, the United States could not possibly adopt a comprehensive counter-China policy, which would mean ignoring its own interests arising from its economic and diplomatic relations with China. Second, the United States is currently facing a severe federal deficit. To address the deficit, it must cut military expenditures and reduce its military power. Third, the situation in the Middle East can hardly be resolved in a short time, due to issues concerning Iran, Syria and the Arab-Israeli conflict. Therefore, it is argued that the United States is unable to pivot toward Asia even if it wants to do so. Fourth, Mr. Obama has been proposing a return to Asia and an intensified role for the U.S. in Asian military, economic, and security affairs ever since

^{*} This article is originally written in Chinese.

[†] Professor, School of International Studies, Peking University

his inauguration. Despite nearly three years of rhetoric, however, there had been no policy shift before the announcement of the term "rebalancing;" analysts therefore just viewed this as another, albeit more high-profile, instance of posturing.

However, in the six months following the announcement, the concept of "rebalancing" toward Asia gradually materialized. To a great extent, this "rebalancing" strategy represents a major shift in U.S. policy toward the Asia-Pacific region following the end of the Cold War. China should not underestimate its strategic implication; it is unclear how far the "rebalancing" move will go.

BASIC CONTENTS OF THE OBAMA ADMINISTRATION'S
"REBALANCING" STRATEGY

SPEECHES BY major officials of the Obama administration and documents issued since November 2011, as well as relevant actions it has taken, clarify the strategy of "rebalancing." It encompasses the following:

First, the "rebalancing" strategy is one that seeks a "century's leadership" for the United States, comprehensively strengthening its dominant role in the Asia-Pacific region. The United States will intensify its input into this region's politics, economy and diplomacy, and play a leadership role for the 21st century while taking the responsibility for regional security and stability. In his address to the Australian parliament on November 17, 2011 Mr. Obama noted that the United States would "play a greater and long-term role in shaping this region and its future." When discussing reductions in U.S. defense spending, he assured that the United States would not reduce its military presence in the Asia-Pacific.² Secretary of State Clinton emphasized that the prosperity and stability of the Asia-Pacific region demands strong U.S. leadership: a century's leadership for this region. At the East Asia Summit on November 20, 2011, the South China Sea was highlighted on Obama's agenda; and he firmly committed to fulfill U.S. promises to its allies and partners in the Asia-Pacific region. In terms of the South China Sea issues, the United States supports an ASEAN-led mechanism for multi-lateral dialogue and resolution. Although the White House stressed that it does not take a position on the sovereignty disputes of the South China Sea islands,

the Obama administration attempted to attribute such disputes to freedom of navigation. This indicates that the United States is already biased in favor of ASEAN when dealing with the South China Sea islands involving China and China's neighboring countries.

Second, the "rebalancing" strategy shows a fundamental shift of U.S. global strategic focus towards the Asia-Pacific region. This represents both a new strategic direction for the U.S. in the post-Iraq/Afghanistan era and a major change in the U.S. strategic assessment of future global security.

The United States completed the withdrawal of its troops from Iraq on December 18, 2011, and decided to end its military operations in Afghanistan in 2013, ahead of schedule. Thus, the question on international strategists' minds is: how will the U.S. military shape its future global strategy? In addition, owing to a consistently high financial deficit, the U.S. military will inevitably enter an era of belt-tightening and reductions in military spending. The pivoting toward Asia represents not only the Obama administration's measures to tighten military budgets, but also its corresponding choice to maintain the U.S. military's global strategic deployment and fulfill related strategic objectives. To do so, the United States announced plans to establish a new military base at the port of Darwin in northern Australia, preparing to deploy 200

This is the first expansion of U.S. military bases in the Asia-Pacific region in the twenty years since the end of the Cold War.

marines in the next two to three years and eventually increasing the strength to 2,500; to deploy four littoral combat ships in Singapore; and to station troops in the Philippines on a regular rotational basis. This is the first expansion of U.S. military bases in the Asia-Pacific region in the twenty years since the end of the Cold War.

Despite pending defense budget cuts, the U.S. will not decrease its military presence in the region. Conversely, it will further strengthen the U.S. military's strategic influence through pivoting toward Asia, setting a basic political tone for the promotion of a new military strategy. In its "Priorities for 21st Century Defense" released on

January 5, 2012, the Obama administration clearly identified the U.S. military's strategic "rebalancing" in the Asia-Pacific region as a core link for future adjustments in military power, its optimization of global strategic deployments and the affirmation of new major military tasks in response to rising threats.³ Therefore, the U.S. military is preparing to cut military involvement for future overseas stability operations, to reduce current active troops of the army from 580,000 to 490,000 and the marines, from 220,000 to 180,000, but to maintain its current 11 aircraft carriers. Although there have been some adjustments in the manufacturing and purchasing of F-35 fighter jets, one of the most expensive jets ever, in light of China's development the U.S. will still deploy these jets.⁴

Third, the "rebalancing" is a rules-based strategy under which the United States urges Asia-Pacific nations to "abide by" as well as create rules for the region's security hotspots. The core of this strategy is that the U.S. wants to use international norms and rules to regulate and guide China. In addressing China-related issues, the United States will collaborate with other countries in the region to handle China through a rule-making and rule-application framework as opposed to a simple bilateral framework. According to U.S. National Security Advisor Thomas Donilon, the ultimate goal of "pivoting to the Asia-Pacific" is to promote U.S. interests by "helping to shape the norms and rules of the Asia-Pacific region, to ensure that international law and norms be respected, that commerce and freedom of navigation are not impeded, that emerging powers build trust with their neighbors, and that disagreements are resolved peacefully without threats or coercion."⁵

Since November 2011, Obama's China policy has focused on encouraging China to abide by and fulfill international norms and rules. In an exclusive interview with *The Times* on January 2012, Obama stressed that the biggest difference between the U.S. and China is that China considers itself a developing nation and thus is not subject to the same rules as the United States and Europe. Obama noted that he had repeatedly indicated to China that, with the world's largest population and second largest economy, it must abide by international norms rather than simply choosing what is in its own best interests, whether on issues of navigation or trade, other

Asian nations want China to play by the rules of the game. Obama noted that in light of the current situation, he believes that China will inevitably become the world's largest economy. However, difficulties still lie ahead for China in the short term as it works to catch up with the per-capita incomes of developed countries.⁶

Fourth, the “rebalancing” is an economy-development strategy that emphasizes American efforts to revive its economic competitiveness in the Asia-Pacific region, and reflects a shift of U.S. economic activities in both extent and depth from Europe to this region.

For nearly ten years, the U.S. has been expanding and intensifying its economic, trade and financial ties with the Asia-Pacific region. The U.S. economic linkage with this region has surpassed its relations with other regions (see Tables 1 and 2).

**Table 1. U.S. International Trade Commission's 2011
Data on Imports and Tariffs**

Region	Goods Imports (US\$1 billion)	Tariffs Imposed (US\$1 billion)	Tariff Rates (%)	AD/CVD Tariff Actions, 2007-2011
World	2,186.0	28.60	1.3	139
World excluding Asia	1,384.0	5.90	0.4	24
Asia	792.0	22.70	2.9	115
Cambodia	2.7	0.46	16.9	-
Bangladesh	4.9	0.75	15.3	-
Pakistan	3.8	0.39	10.4	-
Vietnam	17.0	1.56	9.0	8
Indonesia	19.0	1.10	5.8	5
China	398.0	12.73	3.2	66
Taiwan	41.0	0.62	1.5	6
India	36.0	0.88	2.5	6
Japan	128.0	2.13	1.7	1
South Korea	56.0	0.80	1.4	12

Source: Import and tariff figures are taken from the U.S. International Trade Commission (USITC) Interactive Trade and Tariff DataWeb. Anti-dumping and countervailing duty (AD/CVD) data is taken from USITC *Sunset* Reviews, <http://pubapps2.usitc.gov/sunset/>.

Table 2. Regional Shares of Global Merchandise Trade

	Exports		Imports	
	2000	2010	2000	2010
Africa	1.1%	1.8%	1.8%	3.7%
Asia (including China)	22.0%	23.5%	28.9%	32.2%
Asia (excluding China)	20.3%	17.6%	22.6%	16.2%
Central & South America	6.0%	8.9%	4.7%	5.7%
Commonwealth of Independent States	0.3%	0.6%	0.6%	1.4%
Europe	18.8%	17.9%	15.8%	15.4%
Middle East	1.9%	3.1%	2.5%	3.3%
North America	29.5%	26.6%	23.2%	22.2%

Data: USITC.

Note: "Asia" is defined as East Asia, South Asia, Southeast Asia, and Oceania (including Australia and New Zealand), but excludes Central Asia.

Through multi-pronged diplomatic, economic and strategic measures, the Obama administration's "rebalancing" seeks profits for the United States from the Asia-Pacific economy, and makes trade with this region a point for its strategy to promote U.S. exports, while leading future developments in regional economic cooperation. In 2009, Obama announced U.S. participation in the Trans-Pacific Partnership (TPP), and has promoted the TPP's development as a critical means for participating in investment and trade liberalization in the Asia-Pacific. Currently, the U.S. is pursuing its own interests through Asia-Pacific economic cooperation, courting such countries as Japan and Australia to accelerate the TPP. Its main purpose is to set an "American standard" for this region's economic cooperation in order to regulate China's behavior and gain trade advantages over China and other nations in this region.

At the same time, the U.S. strategy of boosting exports to Asia, represented by the TPP, also reflects Washington's new strategic concern in response to China's rise. A relative weakening of the U.S. economy ensured that the U.S. could not sustain its strategic competition with China. The TPP, in relation to a U.S. export-promotion strategy is, to a great extent, the economic foundation for stabilizing and consolidating the U.S. Asia-Pacific strategy.⁷

BASIC FEATURES OF THE OBAMA ADMINISTRATION'S
"PIVOTING TO THE ASIA-PACIFIC"

COMPARED WITH the U.S. East Asia and Asia-Pacific strategy since the Cold War, the Obama administration's "rebalancing" has the following three distinctive features:

First, for the first time in the 20 years since the Cold War ended, the United States has markedly expanded its military presence in the Asia-Pacific region, promoting new military expansion at any cost, and deepening and intensifying reactions to regional security situations brought about by its perception of China's rise. The U.S.'s successive plans to build up its "air-sea battle" strength to cope with Chinese "anti-access and area-denial (A2/AD)" capabilities represent Washington's future orientation for developing its force structure and military strategy. Especially in the Asia-Pacific, the U.S. military's strategic focus has obviously been challenged by the modernization of China's military forces, which potentially revolve around area-denial capability.

The U.S. defense strategy review released on January 5, 2012 bluntly lists China's area-denial capability as its major military threat, and defines, for the first time, one of its military missions as projecting power despite A2/AD challenges. This defense strategy document lists coping with China's area-denial challenge as a primary mission for the U.S. armed forces in the 21st century, along with its key missions of "counter-terrorism and irregular warfare," "detering and defeating aggression," "maintaining a safe, secure and effective nuclear deterrent," and "defending the homeland and providing support to civil authorities." The last section of this document—"Toward the Joint Force of 2020"—presents a vision of the U.S. military's future, reiterating that the U.S. will strengthen its air-sea battle capability so as to take action if necessary to "ensure the United States, its allies, and partners are capable of operating in A2/AD, cyber, and other contested operating environments."⁸

Soon after the review's release, on January 17, 2012, Chairman of the Joint Chiefs of Staff General Martin E. Dempsey signed and publicized the Joint Operational Access Concept (JOAC), further detailing the synergy of U.S. operation plans in response to area-denial challenges, as well as the ongoing air-sea battle

concept implemented by the U.S. military.⁹ This JOAC report points out future plans for area-denial actions or air-sea battles that would involve launching operations from any dimension. This includes using space weapons, carrying out both cyber-attack and cyber-defense, as well as using air-sea-land attack and defense to disrupt the attack or counterattack capabilities of potential enemies. Dempsey indicated that this report was an extension of the Pentagon's Defense Strategic Guidance released on January 5, and put forward a basic framework for the U.S. military to gain and maintain operational access at all places and dimensions in the future.¹⁰ The release of this report served as a partial enlargement of the January 5th U.S. Defense Strategic Guidance; putting counter-area-denial military operations into a detailed and guiding report on military power and combat planning. It further stresses the core role of countering area-denial combat in future U.S. military build-ups, air-sea joint operations and the overseas operations framework.

The shift of U.S. global strategic focus to the Asia-Pacific and its consideration of China as the most important potential military enemy constitute a major turning point for U.S. global strategy. Such a shift is measured not only by the size of troops stationed in the area, the extent of turbulence and the U.S. military operational scope, but also by new requirements for the U.S. to guard against future military threats, the design of the modes of warfare and the priority for strategic resource allocation. The air-land battle concept proposed by the United States in the late 1970s defined a transformation of warfare by effectively striking the Soviet ground forces in depth through strengthened air superiority. The first Gulf War in 1991 was a classic case of the application of air-land battle. Since then, the U.S. military's outstanding precision strike capabilities have been strengthened and improved in the Kosovo, Afghanistan and Iraq Wars. Today, however, the main opponents of the U.S. are no longer small and middle powers; they are regional powers like China, which are pursuing area-denial capabilities across multiple dimensions, all aimed primarily at the United States. To cope with future military threats from countries including China, the U.S. sees the air-sea battle concept as a new guidance for operation planning and capability development. As the air-sea battle

proceeds from military concepts to operable battle plans, the U.S. military is building a new historic platform, enabling its strategic and tactical operations to be directed at striking China's modernizing military as well as meeting its needs for future combat competence.¹¹

In fact, the U.S. has never left Asia. In the last decade, it has made various substantial preparations for shifting its strategy eastward. In May 2003, less than one month after the U.S. forces captured Baghdad, then U.S. Secretary of Defense, Donald Rumsfeld, announced plans to conduct new hub-and-spoke-adjustment operations in the Asia-Pacific. This strived to strengthen operation planning and deployment of U.S. forces in the Asia-Pacific and intensify long-term commitments to allies in a reaction to China's rise. In Obama's inauguration speech in January 2009, he declared that anti-terrorism was no longer a U.S. strategic focus. In June 2010, the U.S. National Security Strategy proposed pivoting its new strategic focus to the Asia-Pacific. Obama's "rebalancing" strategy, therefore, was not simply a declaration of a strategic focus toward the region, but rather a detailed path toward shifting the country's strategic focus eastward. It also addressed currently operational military, diplomatic and political programs that concerned the U.S. army's global strategic situation, the technical adjustments of military deployments in Europe, the Middle East and the Asia-Pacific, and the political rationale demanded by U.S. domestic politics. These programs include reducing U.S. forces stationed in Europe, decreasing strategic input into military operations in the non-Asia-Pacific regions like Iraq and Afghanistan, and redistributing future budgetary investments among all theaters and services.

The U.S. military's smaller defense budget, a result of domestic financial difficulties, does not conflict with the redefinition of its Asia-Pacific strategic focus. Despite adjustments in force structure, during the past twenty years of the post-Cold War period the U.S. military generally maintained its personnel, equipment and logistics bases to respond to a full-scale war with a well-matched military power like the former Soviet Union. Beginning in the late 1990s, however, the U.S. became aware that Russia could not regain its Soviet Union stature. It also knew that, despite a rapid rise, China

would not be able to pose Soviet-like military threats to the U.S. in the near term, and that its challenge to U.S. military power would be limited to area-denial capability.¹² A smaller and leaner U.S. military is a useful adaptation to post-Cold-War needs in terms of military acquisition, and personnel and force structure. It also requires investing defense resources in the renewal of weapons, equipment and military technologies. Nevertheless, this reduced force continues to maintain a no-challenge advantage for U.S. military power. Finally, Obama's strategy for a smaller and leaner U.S. military will possibly offer a new opportunity for reforms in U.S. force structure and operational doctrine without blocking the shift in U.S. strategic focus to the Asia-Pacific region.

Second, incorporating India and the rest of the South Asian subcontinent into its Asia-Pacific strategy was not an innovation of the Obama administration. However, it was the first time that the U.S. had grouped together South Asia, East Asia and the Pacific region to form a geographically comprehensive "Asian" strategy in its geopolitical concept of "Asian Pivot."¹³

For a long time after the Cold War, the United States defined the Asia-Pacific as inclusive of the western Pacific coast and Oceania. In the 1990s, the Clinton administration issued four East Asia Strategy Reports, none of which emphasized India's inevitable strategic role for the United States. Moreover, India has never been an APEC member. This demonstrates that U.S. geopolitical strategic ties with East Asia and South Asia had a lower priority than they have today. With China's rise and the region's increasing diplomatic, economic and military influence, top U.S. officials, beginning with the Bush administration, began to realize the importance of India's role and have continually strengthened U.S.-Indian strategic ties. During the first decade of the twenty first century, India's nascent rise caused U.S.-India strategic relations to take on a new shape. The United States has always aimed at treating India as a global partner.¹⁴ Now, the Obama administration has redefined the "Asia-Pacific" and the geographic concept of "strategic Asia" in American minds.

"The Asia-Pacific" or "Asia" refers to Northeast Asia, Southeast Asia and South Asia, the South Pacific nations, and Australia and New Zealand in Oceania.¹⁵ Secretary of State Hillary Clinton

said in “America’s Pacific Century:” “Stretching from the Indian subcontinent to the western shores of the Americas, the region spans two oceans—the Pacific and the Indian—that are increasingly linked by shipping and strategy.”¹⁶ Including the South Asian subcontinent in the Asia-Pacific reflects a high U.S. strategic emphasis on the South China Sea, the Straits of Malacca and Myanmar that links Southeast Asia and South Asia. In today’s Asian geopolitical climate, South Asia, Southeast Asia and Northeast Asia cannot be separated from one another. Particularly since 2001, when India became a critical U.S. strategic partner, the U.S. Asia-Pacific strategy has continually encouraged India to accept a greater role in the region’s security and politics, and has placed strategic hope upon India to counter China’s rise.

The Obama administration’s definition of the Asia-Pacific as both the Indian and Pacific regions demonstrates the U.S.’s attempt to frame an Asian balance of power system within a larger geographic scope. Underlying this strategy is a desire to guard against a possible strategic confrontation between China and India, the subsequent negative impact on the United States, and to use India to contain China’s rise as a major power in the Asia-Pacific.¹⁷

The third feature of the “Asian Pivot” strategy is a deeper and wider U.S. presence and participation in the diplomacy and politics of the Asia-Pacific. Particularly, the United States will promote its long-term strategic interests through greater involvement in this region’s multilateral mechanisms, relying on cooperation with allies and partners to settle regional issues and give expression to U.S. long-term interests.

The “rebalancing” strategy represents the formation of a China policy by the Obama administration. Rather than resolving issues of regional security and politics through Sino-U.S. cooperation, the United States promotes Asia-Pacific stability through cooperation with its allies, partners and newly emerging countries with which it maintains good relations. In 2009, when Obama took office, the United States attempted to encourage China to join the United States in sharing global responsibility and leadership. However, the Cheonan incident and the bombardment of Yeonpyeong Island in South Korea in 2010 led to a swift change in the U.S. policy toward

China. Compounded by U.S. needs to revive its domestic economy and expand exports to the Asia-Pacific, in America's view China's rise became the greatest source of uncertainty in the region's security and economic spheres.

The "rebalancing" shift simultaneously reset the tone of U.S. policy of China. The Obama administration turned to elevating its overall leadership role, no longer taking a diplomatic or strategic position in the anticipation of any form of G 2. The U.S. relies more on the stability and consolidation of its leadership in the Asia-Pacific, as well as on its allies, friendly nations and new emerging partnerships to realize its full cooperation with countries in the region. In her speech at the East-West Center of the University of Hawaii on October 28 2010, Secretary of State Clinton revealed this significant shift in U.S. Asia-Pacific diplomatic strategy. In her article, "America's Pacific Century," she stressed dynamic U.S. stewardship, an approach to China "grounded in reality, focused on results and true to our [U.S.] principles and interests."¹⁸

AN ANALYSIS OF THE OBAMA ADMINISTRATION'S "ASIAN PIVOT"
STRATEGY: REASONS, OBJECTIVES AND INFLUENCES

THE OBAMA ADMINISTRATION'S "rebalancing" and the "smaller and leaner" strategy of the U.S. military represent the largest adjustment of U.S. strategy toward the Asia-Pacific since the mid-1990s. With China's rise, the North Korean nuclear impasse and new orientations of Asia-Pacific security, it is inevitable for the United States to update and expand its Asia-Pacific security strategy. In fact, Robert D. Kaplan, a senior fellow at the Center for a New American Security, considers the U.S. Asia-Pacific strategic shift—a response to China's rise—a shift that should have taken place 20 years earlier.¹⁹

Several factors account for this policy shift. First, the U.S. assessment of China's threat has changed from traditional bilateral, ideological and structural disputes concerning Taiwan and Tibet, to greater challenges arising from China's new capabilities and intentions.²⁰ Second, as China rises, traditional U.S. allies and defense partners in the Asia-Pacific have begun to doubt American

security commitments and strategic capabilities in this region. The Obama administration needs to reaffirm its strategic advantages and its resolve in the Asia-Pacific, and regain strategic dominance within the region. Furthermore, the administration must give a timely and strong response to concerns over China's rise, in order to ensure there is no drain on U.S. strategic assets in this region, its alliances, defense partnerships and new partnerships. Third, the 2012 presidential election required the Obama administration to be more determined in countering the so-called "China threat," in order to avoid attacks from domestic political opponents. U.S. election politics and the administration's unwillingness to appear weakened by domestic economic difficulties and budget cuts played a critical role in this new high-profile wave of Washington's publicity for its Asia-Pacific strategy shift.²¹

Plans to reduce the federal deficit and possible military spending cuts over the next ten years are another reason for the "Asian Pivot" strategy. In 2011, U.S. domestic politics focused on cutting the fiscal deficit and putting an upper limit on government debt. With the current debt at US\$14.62 trillion, defense spending is a target of domestic criticism. Because of the 9/11 attacks, the U.S. defense budget, only US\$316 billion in 2001, rocketed up to US\$688 billion in 2011, an increase of more than 117%.²² Before leaving office in June 2011, former Defense Secretary Robert Gates proposed a defense cut of US\$78 billion over the next five years.²³ However, one of the consequences of the fierce competition between the Republican and Democratic parties was the passing of the decision to continue new debt limits one day before the fiscal year started on August 1, 2011. On the same day, through the Budget Control Act Amendment, the U.S. legislature authorized increasing the debt limit to US\$1.2 trillion by the end of December 2012. It also agreed to treat defense cuts as a major means of reducing government debts. The act requires the United States government to reduce the US\$1.5-trillion government debt, which will be achieved in part with US\$350 billion in defense cuts. Identifying another US\$600 billion in defense reductions depends on whether the two political parties can reach a comprehensive agreement on a government spending cut. If the agreement cannot

be reached by December 31, 2012, the US\$600 billion in defense cuts will occur automatically during the ten years starting in 2013.²⁴ The United States would then have to end its excessive defense spending practices and enter a long period of frugal defense and security spending.²⁵

The focus of the "rebalancing" at the diplomatic and military strategic levels is a shift from nation-building missions in unstable regions to focusing on China's anti-access and area-denial capability—a result of its increasing military power and political influence. This indicates an increased U.S. emphasis on possible long-term strategic challenges from China in the Asia-Pacific. At present, the major goals of this strategy appear to encompass the following elements.

First, the United States no longer perceives Sino-American cooperation as the most effective mechanism for handling regional security issues. Instead, the U.S. focuses on strengthening its strategic presence and leadership, as well as coordinating with allies and newly emerging partners to ensure regional security. The priority of U.S. regional diplomacy has shifted from the pursuit of Sino-U.S. cooperation—and even Sino-U.S. co-governance—to emphasizing the establishment and development of broad U.S. political, diplomatic and strategic ties with other countries in this region. It strives to form a regional political and diplomatic environment increasingly beneficial to the United States, narrowing China's strategic and political influences, and fostering a sustainable political, economic and social climate in the Asia-Pacific that aids the United States in its competition with and counterbalancing of China.

Second, the United States is preparing for a direct military conflict with China. Its Asia-Pacific military strategy has shifted from supervising and deterring China to directly confronting China militarily. The air-sea battle concept the Pentagon is now implementing exemplifies this approach. Its immediate intention is to contain the development of China's anti-access and area-denial capabilities. Acting on this concept, Secretary Clinton gave an unprecedented and what some might call sensational new definition of the Chinese threat in the Asia-Pacific. Even in

her article “America’s Pacific Century,” Secretary Clinton went so far as to write, “And today China represents one of the most challenging and consequential bilateral relationships the United States has ever had to manage. This calls for careful, steady, dynamic stewardship.”²⁶ This suggests that China’s challenges to the U.S. are regarded as on the same level of those of Japan and Germany in World War II, and perhaps even of the Soviet Union during the Cold War. The core of the ongoing strategy for a smaller and leaner U.S. military is avoiding loss of ground in the middle and long term Sino-U.S. military competition. The smaller and leaner U.S. armed forces strive to maintain military and strategic advantages vis-a-vis China, and to build a reliable and effective anti-area-denial capability.²⁷

Third, the U.S. is promoting an expansion of a regional security system that focuses on counterbalancing China. The post-1990s U.S. strategy for East Asian security has highlighted counterbalancing China through U.S. fore-front presence and allies. After 2003, this system shifted tectonically, a hub-and-spoke system aimed at reducing the domestic political impact felt by allies and partners when taking military actions against China. However, as the United States has greatly improved its geopolitical position for counterbalancing China, one of the more major facets of its strategic shift toward the Asia-Pacific is the expanded counterbalancing of China in issues such as the South China Sea, East China Sea, and Yellow Sea. Using presence and military allies indicates that the United States has expanded from its mid-90’s strategy of alertness and counterbalancing of mainland China’s military power on the Taiwan issue. The U.S. is now countering China’s geopolitical strategic influence in the entire Asia-Pacific region based on new strategic node areas. Robert Kaplan’s acclaimed article, “The Geography of Chinese Power,” and his new book, *Monsoon: The Indian Ocean and the Future of American Power* focus attention on China’s inevitable competition and conflict with the United States in terms of geopolitical strategy.²⁸ This has in fact played out in a series of U.S. actions, including the establishment of a new military base in the Australian port of Darwin; deepening military and defense cooperation with Vietnam; and dispatching

advanced littoral combat ships to Singapore. As early as May 2010, President Obama proposed forging a new type of regional security system in the Asia-Pacific.²⁹

However, the Obama administration's shift in its Asia-Pacific security strategy does not necessarily mean a fundamental change in the U.S. China strategy. Due to its domestic economic recession and huge budgetary deficits, even if the United States made a major adjustment in its Asia-Pacific strategy and the Pentagon decided to expand its military and strategic presence in this region, the Obama administration would encounter short-term difficulties in taking the necessary steps to realize this strategy.³⁰ The extensive interdependence in trade and finance also means that the United States cannot reduce its relationship with China to a simple "contact" or "containment" policy. The White House will maintain its basic stance on political contacts, economic cooperation and strategic alertness and surveillance. In other words, the United States has not changed its "soft containment" strategy toward China since the mid-1990s. The strategic nature of the dialogue remains one of hedging—not only preparing for the worst in Sino-U.S. relations, but also striving to encourage China to seek increased mutual cooperation.

It is not rational to equate the "Asian Pivot" to a policy of greater containment of China. The containment strategy was specifically used by the United States to handle the Soviet Union during the Cold War, and to confront and overthrow PRC before President Nixon's visit to China in 1972. The preconditions of this strategy were: first, to undermine the Soviet Union and China at any cost by the United States; second, to have a broad group of allies to support and follow the United States if action was necessary; and third, for the United States to shoulder the costs of this strategy if war broke out, at any time. Today's Sino-U.S. interdependence leads to both U.S. measures *against* China and its cooperation *with* China. Generally speaking, the strategic mistrust between the United States and China has been heightened. The Obama

Today's Sino-U.S. interdependence leads to both U.S. measures against China and its cooperation with China.

administration's China policy involves expanding cooperation with China and seeking mutual common interests, while simultaneously increasing competition and acting to counterbalance Chinese power.³¹

The redirection of U.S. policy has not occurred overnight; in fact, it has been developing for over a decade. However, it was only clarified in 2011, marking the first time the U.S. Department of Defense linked China's military growth to its strategic geopolitical influence in the Asia-Pacific. In its analysis of China's military growth, the report stressed a greater role for the U.S. in the region's security.³² The U.S.'s strategic shift toward the Asia-Pacific should not be underestimated. Even if the United States does not demonstrate hostility toward China in the short term, the future orientation of Northeast Asian regional politics and Sino-U.S. relations will nevertheless be greatly affected by this shift. One result of this strategic shift is the risk of China facing a worsening security environment in the Asia-Pacific region.

CONCLUSION

THE OBAMA ADMINISTRATION'S "rebalancing" toward the Asia-Pacific region indeed represents an emerging change in the U.S. understanding of China's strategic significance. With the introduction of this strategy, the United States and China have entered a new period of competition, cooperation and perhaps confrontation over issues in the Asia-Pacific. Simply reducing this strategic shift to a policy of containing China does not conform to the reality of symbiotic bilateral economic and social relations. Therefore, the United States' strategic pivot to the Asia-Pacific should strike a balance between bilateral economic interdependence with China, and a military "rebalancing" towards China. It is important to note that this strategic change does not mean that the United States has begun to comprehensively contain China. Unless there is an open confrontation between the two countries, China-U.S. relations are likely to remain important, albeit complicated. Thus, the pragmatism of competing without open confrontation will continue.

Considering both President Obama's November 2011 announcement of a U.S. strategic shift toward the Asia-Pacific and the new military strategy released on January 5, 2012, the United States has clearly changed its strategic assessment of China. This shift touches upon structural issues such as ideologies, political mechanisms and bilateral ties, as well as China's capabilities and intentions, including those within the military sphere. This new military strategy reflects the U.S. policy dilemma of increasingly treating China as a strategic opponent, while maintaining close political and economic ties. In response to China's rising strength, the United States will launch more counterbalancing efforts. This clearly indicates that great power politics is, in essence, the same as any power struggle relationship, and requires a complicated combination of cooperation and opposition. As Zbigniew Brzezinski, National Security Advisor to President Carter, recently pointed out, when faced with China's emerging strength and a risk of toppling the existing Asia-Pacific power structure, the United States has to make strong strategic decisions.³³

The question is: how will China and the United States co-exist? Especially because of a gradual change in their comparative forces, the United States' unwillingness to abandon its superpower status and the Chinese people's eagerness to demonstrate their own country's strength, the U.S. strategic adjustment actually poses more of a psychological than physical challenge to China. At such a time, the Chinese people should perhaps be reminded by General Secretary Xi Jinping's statements during his visit to the United States: "The wide Pacific Ocean has sufficient space to accommodate both China and the United States." Remaining composed, focusing on the long term, keeping to their own domestic affairs and seeking a win-win situation could be the wisest path ahead for China. On the other hand, China must also strive to continue developing and learning about the world around it. The Sino-U.S. competition is still in its first stage, and it is unclear what the resolution will be; to think otherwise is too short-sighted, and oversimplifies the complexity of the Sino-U.S. relationship.

¹ Hillary Clinton, "America's Pacific Century," *Foreign Policy*, November 2011, http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century.

² President Barack Obama, "Remarks By President Obama to the Australian Parliament," November 17, 2011, <http://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament>.

³ For details, see U.S. Department of Defense, "Sustaining U.S. Global Leadership: Priorities for 21st Century Defense," January 2012, at www.defense.gov/news/Defense_Strategic_Guidance.pdf. Quotations are taken from the e-version of this report.

⁴ Elisabeth Bumiller and Thom Shanker, "Obama Puts His Stamp on Strategy for Leaner Military," *The New York Times*, January 5, 2012.

⁵ Tom Donilon, "America Is Back in the Pacific and Will Uphold the Rules," *Financial Times*, November 27, 2011.

⁶ "President Obama Envisions the Asia-Pacific," *The Times*, January 21, 2012.

⁷ Edward Gresser, "Does U.S. Pacific Policy Need a 'Trade Policy?'" NBR, March 29, 2012, <http://www.nbr.org/research/activity.aspx?id=229>.

⁸ U.S. Department of Defense, "Sustaining U.S. Global Leadership: Priorities for 21st Century Defense," January 2012, p. 16.

⁹ U.S. Department of Defense, "Joint Operational Access Concept," January 17, 2012; For e-version of this report, see http://www.defense.gov/pubs/pdfs/JOAC_Jan%202012_Signed.pdf.

¹⁰ U.S. Department of Defense, "Release of Joint Operational Access Concept, JOAP," January 17, 2012, <http://www.dodlive.mil/index.php/2012/01/release-of-the-joint-operational-access-concept-joac/>.

¹¹ Current Chief of Staff of the U.S. Air Force and the Chief of Naval Operations co-wrote an article stating that Air-Sea Battle represents a new historic demand for U.S. army's future action from the concept to capability planning and presents a new situation in which the U.S. army will respond with future military action concurrently from the air, on and under the sea, space, cyberspace and the land. General Norton A. Schwartz, USAF & Admiral Jonathan W. Greenert, USN, "Air-Sea Battle: Promoting Stability in an Era of Uncertainty," *The American Interest*, February 20, 2012.

¹² The U.S. Defense Strategic Guidance released on January 5, 2012 defined China as a regional power. U.S. Department of Defense, "Sustaining U.S. Global Leadership: Priorities for 21st Century Defense," January 2012.

¹³ For an analysis of the redefinition of Asia-Pacific geography as a new element among the Obama administration's Asian Pivot strategy, please also see Mark E. Manyin, etc., *Pivot to Asian-Pacific: The Obama Administration's Rebalancing towards Asia*, Congressional Research Service, March 28, 2012.

¹⁴ Teresita C. Schaffer, "Partnering with India: Regional Power, Global Hopes," in Ashley J. Tellis, Mercy Kuo, and Andrew Marble, eds., *Strategic Asia 2008-2009: Challenges and Choices*, Seattle: NBR, 2008; pp. 199-230.

¹⁵ The Obama administration thinks political Asia should include Central Asian nations as well as all South Asian countries. But in the U.S. trade statistics, Central Asia is not included in the concept Asia or the Asia-Pacific, because the statistics contain a specific column for the Commonwealth of Independent States and calculate U.S. trade and economic relations with Central Asian countries separately under the Commonwealth of Independent States.

¹⁶ Hillary Clinton, "America's Pacific Century," *Foreign Policy*, November 2011.

The Obama Administration's "Rebalancing" Toward Asia

¹⁷ Richard Haass, *The United States and India: A Shared Strategic Future*, New York: Council on Foreign Relations, September 2011.

¹⁸ Hillary Clinton, "America's Pacific Century," *Foreign Policy*, November 2011.

¹⁹ Robert D. Kaplan, "Why John J. Mearsheimer Is Right?" *The Atlantic*, January /February 2012.

²⁰ For information on the development of U.S. evaluation of China's military power, see Richard Halloran, "A Revolution for China's Air Force," *Air Force*, February 2012. "The Chinese Military Challenge: The PLA is seeking to push U.S. forces out of Asian waters." *The Wall Street Journal*, August 18, 2010; Walter Ladwig, "Signals in the Yellow Sea: China tries to deny U.S. aircraft carriers access to international waters," *The Wall Street Journal*, July 20, 2010; Michael Austin, "Asia's Troubled Waters: The U.S. Navy will have to face new challenges from China and North Korea with fewer resources," *The Wall Street Journal*, May 20, 2010.

²¹ For detailed analysis of the influence of the 2012 U.S. domestic election on its "Asian Pivot" strategy, see Mark E. Manyin, etc., *Pivot to Asian-Pacific: The Obama Administration's Rebalancing towards Asia*, pp. 24-29.

²² Peter Baker, "Panetta's Pentagon, Without the Blank Check," *The New York Times*, October 23, 2011.

²³ David Sanger, "Gates Asks for Defense Cut for His Departure," *The New York Times*, June 25, 2011.

²⁴ For the text of the Budget Control Act Amendment passed on August 1, 2011, see U.S. Congress: Text of Budget Control Act Amendment, F:\P12\DEBT\DEBT_016.XML, http://rules.house.gov/Media/file/PDF_112_1/Floor_Text/DEBT_016_xml.pdf

²⁵ Michael Mandelbaum, "America's Coming Retrenchment: How Budget Cuts will Limit the United States' Global Role," *Foreign Affairs*, August 9, 2011.

²⁶ Hillary Clinton, "America's Pacific Century," *Foreign Policy*, November 2011.

²⁷ Michael O'Hanlon, "*The Defense Budget and American Power*," Remarks in the hearing of U.S. Senate Budget Committee, April 4, 2012; "Why a One-War Posture for the U.S. Military Will Work," *The Washington Post*, January 6, 2012.

²⁸ Robert D. Kaplan, "The Geography of Chinese Power: How Far Can Beijing Reach on Land and at Sea?" *Foreign Affairs*, May/June 2010; *Mansion: Indian Ocean and the Future of U.S. Power*, New York: Random House, 2010.

²⁹ Remarks by President Obama at United States Military Academy at West Point Commencement, Michell Stadium, West Point, New York, May 22, 2010.

³⁰ The F-35 Joint Strike Fighter Program is a major difficult point for the current smaller and leaner U.S. military plan. The F-35 research and purchases have been considered the most expensive ever program for the United States. To react to future China's military force, it is imperative to purchase and deploy F-35 fighters. However, it is more likely to deploy a cut version of F-35. Michael O'Hanlon, *The Wounded Giant: America's Armed Force in a Age of Austerity*, Washington: La of Book Press, 2011, Chapter 4.

³¹ Kenneth Lieberthal and Wang Jisi, "*Addressing U.S.-China Strategic Mistrust*," The Brookings Institution: John L. Thornton China Center Monograph Series, Number 4, March 2012.

³² U.S. Department of Defense, *Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2011*.

³³ Zbigniew Brzezinski, "Balancing the East, Upgrading the West," *Foreign Affairs*, January/February 2012.