

Smart Talk No. 13

Presenter

Strobe Talbott
Richard Bush

Moderator

Young-Sun Ha

Discussants

Sukhee Han
Byung-Kook Kim
Min Gyo Koo
Sang-Hyun Lee
Seungjoo Lee
Sook-Jong Lee
Yong Wook Lee
Sang-Yoon Ma
Byoung-Kwon Sohn
Yul Sohn

This product presents a policy-oriented summary of the Smart Talk.

The East Asia Institute
909 Sampoong B/D
310-68 Euljiro 4-ga
Jung-gu
Seoul 100-786
Republic of Korea

© EAI 2010

www.eai.or.kr

Obama's Foreign Policy and the New Congress

December 13, 2010

The U.S. mid-term elections in November 2010 created a setback for President Barack Obama as the Republicans regained the House of Representatives. Since his inauguration in 2009, the Obama administration has been trying to recalibrate U.S. foreign policy to cope with the new realities at home and a changing landscape abroad. To avert the weakening effects on American power caused by the Global Financial Crisis, Obama is working to reestablish U.S. leadership in the world, while also reducing unilateral policies. In this effort, the administration has been winding down the costly wars in Iraq and Afghanistan, resetting relations with Russia, embracing old allies and new friends in Asia, cooperating with a rising China, and coping with an aggressive North Korea. The results of the mid-term elections and increasingly partisan nature of politics in the United States though make this endeavor significantly more complex. How will the Obama administration push through with its foreign policy objectives? Will the new shape of domestic politics hinder these efforts? And how will Obama work with the new political forces in the United States?

To address these questions and to help us understand the future path that the Obama administration will take, the EAI invited Strobe Talbott, President of the Brookings Institution, and Richard Bush, Director of Brookings' Center for Northeast Asian Policy Studies.

The following is a summary of the main

presentation by President Talbott and Dr. Bush, as well the discussion with South Korean scholars and experts.

Presentation

The Challenge of Globalization

President Talbott began his presentation by looking at globalization, the major trend shaping U.S. foreign policy today. For this he explained three major challenges that come with globalization and will influence major policies in the future. The first is with climate change that he recognized as a major transnational danger. The economic growth and interdependence that come with globalization have also resulted in the destruction of the environment which will pose as an existential threat to future generations. Secondly, nuclear proliferation, the flow of information and goods have also resulted in the spread of nuclear technology and the capability to manufacture weapons of mass destruction by states or groups hostile to the United States and its friends. The third challenge is the need for enhanced international cooperation to take on global threats, such as poverty, extreme nationalism, dangerous non-state actors, and failed states.

Political Discourse in the United States

With major global challenges ahead, the lea-

“There will need to be a way to reduce the defense costs that does not weaken the ability of the United States to project its power in strategic regions like East Asia.”

dership of the United States is vital. However, the political arena in Washington is going through a negative period. Partisanship has gone “rogue” and this will have negative effects on both the United States and the world. The concern is that the new Congress will exercise strategies to make Obama fail in his foreign policy. This means that the United States will be slightly weaker in exerting its influence abroad as issues of global governance will certainly be in jeopardy without the leadership of the United States. Areas where domestic politics will affect U.S. foreign policy are ratification of the New START (Strategic Arms Reduction Treaty) treaty. Failure in that will certainly put a halt to ratification of the Comprehensive Test Ban Treaty (CTBT) and will have major consequences on the credibility of the United States in its non-proliferation efforts.

Despite the pessimistic picture painted of the domestic political situation in the United States, President Talbott gave reasons why he felt optimistic about the future. Firstly, he believed that there would be a process of self-correction within the Republican Party toward comprehensively addressing these important challenges of globalization rather than a focus on domestic political gains. Secondly, he placed faith in the American people who have historically made the right choices. Lastly, he had confidence that President Obama can push through the important agendas with his political adaptability.

China’s Rise and U.S.-China Relations

Dr. Bush highlighted the increasing uncertainties in U.S.-China relations and expressed concern as to which direction they were heading in. This will certainly be the time for the United States to show its leadership and its

effectiveness, part of this will come from its soft power that is important for friends and allies. He expressed concern over China’s actions in 2010 that have been somewhat out of character. For example, a year ago Beijing made the decision to support Pyongyang without question which caused problems for its relations with Seoul and Washington. Although it is as yet not clear, he said, the following is what might be at work. Firstly there are succession issues in China, with a new leadership coming to power in 2012, then there is the increasing role of nationalism in politics, a need to assert its clout, and finally the People Liberation Army is also playing a stronger role. A combination of all these factors can partly explain what has been taking place in China and has played a strong role in U.S.-China relations. The upcoming U.S.-China Summit in January 2011 will be a good opportunity for President Obama to lay down his views and to rebuild ties with China and seek a more cooperative approach.

The Future Role of the United States in Asia

The current U.S. budget deficit facing the Obama administration will have some consequences upon the ability of the United States to project its leadership in the world, particularly in Asia. The emphasis in Washington is to make cuts to the defense budget in order to address the deficit problems in the short term. In the long term, though, reducing the defense budget of the United States will have an impact on its alliances around the world. There will need to be a way to reduce the defense costs that does not weaken the ability of the United States to project its power in strategic regions like East Asia.

Discussion

U.S. Domestic Politics and International Commitments

The discussion began by focusing on the domestic situation in the United States and what the impact will be of a new political posture that had been mentioned during the presentation. With a number of important international agreements to be ratified and many other policies that will need domestic support, the concern of how partisanship will slow down President Obama's efforts was raised by panelists. With Korea, the New Congress' ratification of the Korea-United State (KORUS) FTA and President Obama's leadership to make the 2012 Nuclear Security Summit in Seoul successful were put into question. If the New START Treaty were to fail, there was interest in how the United States will be able to exercise its leadership in non-proliferation.

President Talbott explained that since the Global Financial Crisis and with the damage it has wrecked on the economy, there has been growing fear within the United States that has translated itself into the political scene and has placed pressure on the two-party political system. The basis for this two-party system which is able to efficiently ratify bills and international agreements is a political center where the two parties overlap. However, there is increasing partisanship in American politics. Congressional observer Thomas E. Mann commented on the troubled passing of the Health Bill which showed an interesting trend where Ben Nelson, the most conservative Democrat in the Senate supported the bill and Olivia Snowe, the most liberal Republican in the Senate opposed it. Where in the past there might have been a convergence, there is now a

clear line separating the two parties.¹

The KORUS FTA and the New START treaty hang in the balance with this new political makeup. However, President Talbott felt confident about the passage of the FTA regardless of the controversy it has generated. There is a good chance of it passing as Republicans are more favorable to trade deals. The danger still is that the Republicans might also wish to oppose the bill to serve Obama with a foreign policy defeat and increase the pressure on him in the run-up to 2012.

After more than forty years, the Non-Proliferation Treaty (NPT) faces real dangers. North Korea withdrew from the NPT and tested nuclear devices twice while Iran continues to cause unease within the international community about its nuclear program. At this delicate point, failure to ratify the START treaty has broader implications for U.S. leadership in the non-proliferation effort. As one of the founding states of the NPT regime, the United States should not just combat proliferation, but also set an example. If it is unable to ratify the START treaty, this will send the wrong signals around the world and will force other countries to rethink their nuclear options.

Dr. Bush was optimistic about the KORUS FTA, believing that it was a good deal for everyone. Failure to ratify the deal would result in the United States being left out of the economic networks that South Korea is building in its pursuit of FTAs with other countries. The important element in pushing through the KORUS FTA will be in linking it to wider security issues, such as the need to strengthen the ROK-U.S. alliance.

¹ *Washington Post*, May 16, 2010, <http://www.washingtonpost.com/wp-dyn/content/article/2010/05/14/AR2010051404234.html> (accessed December 7, 2010).

"This delicate point, failure to ratify the START treaty has broader implications for U.S. leadership in the non-proliferation effort"

China's Rise and U.S. Relative Decline

China's rise and the difficulties in U.S.-China relations over the past year became the focus of the discussion. In seeking to understand why China's behavior has changed, one discussant brought attention to the changing power balance between the two countries. Adding to Dr. Bush's earlier comments in the presentation that China has changed its approach to the United States over the last year, the discussant pointed out that the Chinese leadership does not perceive the power gap as so vast as before. For many years, Chinese leaders have long accepted as fact that the United States was far ahead of China in terms of military and economic power. The Global Financial Crisis wrecked the U.S. economy while the Chinese economy continued to prosper. This has permitted Chinese leaders to believe that they could catch up or even surpass the United States economically. President Talbott echoed similar comments by mentioning that in America there is shaking confidence of the political system. Some political commentators such as George Soros and Thomas Friedman have even praised China for having "a better functioning government than the United States."²

Dr. Bush agreed to an extent that during the 1990s China had to accommodate the United States but this is now turning around as United States has to take into account China's interests. This kind of power shift reinforces the Chinese leadership's perceptions that the power gap is closing. If the United

States is able to rebuild its national power, then China will understand that the power gap is not closing. This will require Washington to summon the will and capacity of the United States.

Related to the growing confidence of China has been its approach toward maritime issues within the East Asia region. In both the East China Sea and the South China Sea, there have been simultaneous disputes going on in 2010 between Beijing and its neighbors which have disrupted diplomatic relations. One participant pointed to this unique trend and argued that the United States needs to show its leadership in these disputes, which has mainly had a hands-off approach focused only on freedom of navigation.

Dr. Bush explained that China's new approach must be seen as part of a wider context in which it is trying to expand its strategic limit. In recent years there has been a shift from "green water" to "blue water" naval capabilities, Chinese planners are now moving from the defensive line of the "first island chain" (Yellow Sea, East China Sea, and South China Sea) to the "second island chain" (much of the Western Pacific). This strategic concept is fair enough for a country of that size, but the expansion brings China into conflict with other countries, particularly over disputed island and territory. He stressed the need for a conflict avoidance mechanism to reduce tensions and misunderstanding such as that between China and Japan over the Senkaku Islands. Lesson can be learnt from the incident that took place in September, 2010 in which China's foreign policy was hijacked by an angry domestic audience.

"In both the East China Sea and the South China Sea, there have been simultaneous disputes going on in 2010 between Beijing and its neighbors which have disrupted diplomatic relations."

² *The Globe and Mail*, November 15, 2010, <http://www.theglobeandmail.com/report-on-business/economic-power-shifting-from-us-to-china-soros-says/article1800333/> (accessed December 7, 2010).

The North Korean Threat

North Korea's artillery attack on Yeonpyeong Island demonstrated clearly the dangers and threat posed by the North as it goes through its leadership succession process. It also demonstrates the difficulties in persuading the North to denuclearize. In this context, a participant wanted to know Washington's view on why Pyongyang has always been going in the opposite direction of the pre-conditions set by the Obama administration for restarting the Six-Party Talks. In 2009 there were some positive signals from North Korea about coming back to talks, but its behavior in 2010 has been the opposite as it sunk the *Cheonan*, revealed that it has uranium enrichment facilities, and then attacked Yeonpyeong Island. There was another question of how long the Obama administration can pursue its policy of "strategic patience" that is likely to result in "strategic negligence."

Dr. Bush stated that North Korea's succession issue is the main reason behind this. Due to the complicated and sensitive nature of passing down power to a young and inexperienced Kim Jong-un, North Korea will be unlikely to give up its nuclear weapons. It can also be expected that there will be further provocations for the near-term.

For the question on the United States policy of "strategic patience," Dr. Bush responded that it meant first of all to send a message to Pyongyang that North Korea must change first before entering into talks with Washington. The second point of "strategic patience" is for the ROK-U.S. alliance to show firmness when confronting North Korea's belligerence. Both sides will need to respond proportionately and timely to such threats from the North. This is important, for if the North Korean regime perceives any weak response, it

will not be discouraged in carrying out further provocations. The last point is that "strategic patience" is also sending a signal to Beijing that it has to change its current position of unquestioned support for Pyongyang. This support is only making the situation worse and makes it more difficult to restart the Six-Party Talks. China will remain in dilemma in how it is to deal with the North. How the Six-Party Talks will resume at this stage remains uncertain, but all countries involved can be expected to conduct diplomacy for the denuclearization of North Korea. ■

——— Strobe Talbott is the president of the Brookings Institution, and Richard Bush is the senior fellow at the Brookings Institution and director of its Center for Northeast Asian Policy Studies.

Discussants

Young-Sun Ha, Seoul National University
Sukhee Han, Yonsei University
Byung-Kook Kim, Korea Foundation
Min Gyo Koo, Seoul National University
Sang-Hyun Lee, Sejong Institute
Seungjoo Lee, Chung-Ang University
Sook-Jong Lee, East Asia Institute
Yong Wook Lee, Korea University
Sang-Yoon Ma, Catholic University of Korea
Byoung-Kwon Sohn, Chung-Ang University
Yul Sohn, Yonsei University