

Can America Rebuild Its Power in Asia?

Biden Started Strong, But Progress Is Halting

By Michael J. Green and Evan S. Medeiros

Lee Kuan Yew, Singapore's late former leader, used to complain that Americans believed U.S. policy toward Asia could be treated like a video. Washington could press pause as it sorted out problems at home or in other parts of the world, and then hit play when it found the timing convenient. It is easy to see why U.S. policymakers—busy managing the transatlantic alliance, conflicts in the Middle East, and domestic politics—would find this approach tempting. But as Lee noted, it was deeply ineffective. “It does not work like that,” he said. “If the United States wants to substantially affect the strategic evolution of Asia, it cannot come and go.”

To see why this is, consider the Asia policies of the last president. Under Donald Trump, the United States withdrew from the main trade agreement in Asia, the Trans-Pacific Partnership (TPP). Trump also rattled allies by demanding exorbitant payment increases for U.S. troops while professing his “love” for North Korean leader Kim Jong Un. Although the United States hardly abandoned Asia, especially as tensions rose with China, the Trump administration left Washington's closest partners feeling deeply uncertain of U.S. staying power as Beijing sought to reshape the regional order.

Now, President Joe Biden is trying to press play again, and in his first year, he scored some quick wins. Biden took creative steps to reenergize U.S. alliances, including upgrading the Australian-Indian-Japanese-U.S. Quad to a summit, concluding a historic submarine deal among Australia, the United Kingdom, and Washington, and signing a new cost-sharing agreement with South Korea to keep U.S. troops in the country. Biden has sustained a very competitive approach toward Beijing, but the United States is now working more collaboratively and effectively with others to constrain Chinese power. As a result, confidence in U.S. diplomatic engagement is on the rebound in the region.

But despite this renewed diplomatic outreach, Biden has not remedied Trump's economic disengagement from Asia, nor has he made the investments necessary to maintain the United States' military advantage. Chinese President Xi Jinping, meanwhile, has expanded his country's military capabilities, domestic repression, and coercion of neighbors. He has upped China's bid for Indo-Pacific economic leadership. Beijing even applied in September 2021 to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the successor to the TPP that the United States once championed.

For these reasons, just hitting play again is not good enough. The Biden administration must not only sustain its current momentum but also broaden its actions in the Indo-Pacific, even as new crises arise in Ukraine and the Middle East. Biden especially needs to do more in the areas of economic statecraft and military deterrence—and to think creatively about how to do both. He must make clearer his approach to China, which has no intention of slowing its drive for regional dominance. The United States' friends and allies in Asia will strongly support Biden if he acts boldly in the second and third years of his administration, but they will begin to lose their confidence if he does not. Especially after Trump, their patience is limited.

STARTING STRONG

For more than 70 years, the United States has gone through cycles of involvement and retrenchment in Asia. After 1945, the country went from having 100 carriers in the Pacific to just one. Then, in 1950, North Korea attacked South Korea, prompting Washington to build the network of alliances it has today. In 1969, President Richard Nixon announced that he wanted to pull all U.S. ground forces out of continental Southeast Asia, and while running for president in 1976, Jimmy Carter promised to withdraw all U.S. troops from South Korea. But the United States never followed through on the latter promise, and President Ronald Reagan brought the U.S. military roaring back to the region with its maritime strategy, which sought to bottle up the Soviet Union in the Sea of Okhotsk.

After the end of the Cold War, angst about the U.S. commitment persisted. President Bill Clinton was relatively inattentive to Asia at the beginning of his administration but later revitalized the U.S.-Japanese alliance and stabilized U.S.-Chinese ties, notably by negotiating China's accession to the World Trade Organization. President George W. Bush was preoccupied with counterterrorism and the Middle East after 9/11, but he strengthened defense cooperation with Japan and Australia and opened a new strategic chapter with India to manage growing uncertainty about China. President Barack Obama's pivot to Asia achieved new levels of strategic engagement with the region in general, and with Southeast Asia in particular, after years of neglect, but it was challenged by caps on military spending imposed under sequestration.

Now it is Biden's turn. He confronts a more challenging landscape. Asian leaders are still asking whether the U.S. political system, after COVID-19 and Trump, will allow Washington to remain a high-quality partner. And no other post-World War II president faced a powerful Asian adversary like today's China: large, resourceful, indignant, and determined to claim the central regional position. This challenge is tempered by the fact that most Asian leaders don't want China to dominate, and Beijing has myriad domestic challenges that constrain its power and tarnish its image. Nevertheless, for Washington, the room for error or complacency is far smaller today than it was for earlier administrations.

The White House knows this, and it made moves in 2021 that pleasantly surprised friends in the region. The president appointed officials with well-established reputations for supporting alliances and institutions, and who were willing to respond to Chinese coercion and predation. Biden continued to embrace Japan's "free and open Indo-Pacific" framework, which calls for preserving trans-Pacific connectivity and the rule of law across the region. He strengthened the Quad and gave it an actionable agenda: health, infrastructure, and climate. The administration reaffirmed its defense commitments to Japan and South Korea—countries which were both chastened by Trump. Its historic Australia-United Kingdom-United States agreement (AUKUS) was perhaps its boldest move, giving nuclear-powered submarines to Australia and increasing overall defense cooperation among the three maritime powers. These actions were all the more credible because they enjoyed broad bipartisan support in Congress.

The Biden administration quickly and effectively increased its coordination with European allies in handling China. Washington and key European capitals jointly responded to Beijing's crackdowns in Hong Kong and Xinjiang, including with coordinated sanctions. They created the transatlantic Trade and Technology Council, which aims to harmonize controls on technology exports to China, and they aligned their views on Taiwan. Now that France, Germany, the United

Kingdom, and the European Union have all published Indo-Pacific strategies, the United States and these countries can further advance their cooperation in the region.

Biden's actions are already paying dividends. A June 2021 Pew Research Center poll found the United States' favorability ratings were up in countries across the Indo-Pacific, increasing by 15 percentage points in Australia, 18 points in South Korea, and 30 points in Japan compared with the previous year. The Australian Lowy Institute's 2021 Asia Power Index, which channels survey and other research data through a mathematical formula to assess national power, found the United States had the greatest gains in diplomatic influence in the entire region, rising from a score of 74.9 to 90.4 out of a maximum of 100. When the Institute of Southeast Asian Studies (ISEAS) in Singapore asked corporate, academic, and policy elites across Southeast Asia whether they would choose the United States or China if forced to decide, the percentage selecting the United States increased from 53.6 percent in 2020 to 61.5 percent in 2021.

MIXED MESSAGES

But these same polls illustrate that Biden's gains are limited, if not tenuous. The 2021 ISEAS survey showed respondents believe U.S. economic influence in Southeast Asia has decreased since Biden took office. The survey also found almost half of respondents think China has greater regional political sway than the United States. The Lowy Asia Power Index may have found that the Biden administration restored the United States' diplomatic influence, but it docked Washington more than ten points (from 61.7 to 51.1) on economic sway. The index also found the U.S. military's relative lead over China shrank in 2021—and that was before Beijing conducted its alarming hypersonic missile tests.

For the United States, both these challenges will intensify. On the economic front, China is expanding its financial footprint across the Indo-Pacific. U.S. allies such as Australia and Japan have privately pledged to help keep Beijing out of the CPTPP and to hold a place in the trade agreement for Washington. But the Biden administration has said it has no plan to return to the CPTPP, and officials in Canberra and Tokyo warn they cannot hold off China for more than a few years without some positive signals from the United States. Meanwhile, in addition to trying to join the CPTPP, China has also asked to join the Digital Economy Partnership Agreement (DEPA) with Chile, New Zealand, and Singapore—yet another economic group with no U.S. seat at the table.

The Biden administration has promised “the development of an Indo-Pacific economic framework” focused on a patchwork of issues—trade facilitation, digital trade, supply chain resiliency, clean energy, infrastructure, and worker standards. But at best, the United States' closest Asian partners see the framework as a save-the-date card for what they hope will be the day when Washington decides to join the CPTPP or a comparable agreement. The announcement on January 21 of a new U.S.-Japanese economic dialogue helps, but most Asian policymakers and business leaders view the vagueness of the Indo-Pacific economic framework as indicative of a lack of focus and commitment to deep economic engagement. The relative strength of the U.S. economy continues to drive the region's investment and trade with the United States, but as things stand, Washington is losing influence over the rules that will govern trade, investment, supply chains, and ultimately, geopolitics in Asia.

The United States' vague economic policies extend to its goals with Beijing. The Biden administration has rightly sought to limit sensitive technology transfers—particularly of semiconductor- and artificial intelligence-related technology—to China. **But the administration**

has no long-term economic strategy toward Beijing beyond seeking more Chinese agricultural and energy exports under the 2020 Phase One trade deal negotiated by the Trump administration to end the trade war the White House started in 2018. U.S. businesses cannot get a clear answer about whether the administration will promote trade and investment with China in non-sensitive sectors, such as retail and automobiles. (Washington originally championed the TPP to gain leverage in economic negotiations with China, but this tool is now missing.)

U.S. defense policy faces different but equally formidable challenges. The Biden administration has clearly made gains at deterring China by strengthening its alliances, but it has been less purposeful about the types of military capabilities it deploys in Asia—and where it puts them. The Defense Department’s signature Global Posture Review resulted in almost no significant additions to U.S. military forces in the Indo-Pacific beyond what the Trump White House already had planned. The administration and Congress have failed to properly fund the new Pacific Deterrence Initiative (PDI), legislation that was designed to improve the composition of the military’s funding for much needed capabilities in the Indo-Pacific theater. Although many experts expect Congress to increase defense spending next year, the crisis in Ukraine could drain resources to the continuing detriment of the Indo-Pacific theater.

In the coming weeks, the administration will roll out a series of strategic documents intended to address these issues, including the Indo-Pacific Strategy, the National Security Strategy, the National Defense Strategy, as well as the Nuclear Posture Review. The administration’s attempt to clarify its Asia policies could easily be diluted or complicated by competing priorities, such as Russian and Iranian provocations, climate change, or domestic issues. That would send the wrong signal to allies about the scope and depth of U.S. engagement, especially if these documents are released without concrete plans. The crafters of the Indo-Pacific Strategy will need Biden to focus on the challenge of pacing U.S. security and leadership in the international system.

GET BIG

Biden’s presidency is barely a year old, but the 2022 midterms are already looming. The president must begin planning his second act in Asia. And if he wants to credibly commit to the region, then he should not hesitate to think big and act boldly.

He can start by transforming the Indo-Pacific economic framework into concrete actions. The administration should quickly announce plans to negotiate digital trade agreements (or to join the DEPA) and to conclude more modest regionwide initiatives on supply chain security and decarbonization. The latter actions will signal that Washington is committed to both trade liberalization and broader rulemaking. Japan and Australia, in particular, are eager for greater U.S. cooperation on infrastructure financing to compete with China’s Belt and Road Initiative. U.S. allies are eager for Washington to help develop policies that can counter Chinese economic coercion. The United States is hosting the 21-economy Asia-Pacific Economic Cooperation forum in 2023, and it should aim to roll out these initiatives in the lead-up.

On defense policy, the administration must take similarly fast and comprehensive steps. It should provide U.S. military commanders in Asia with the capabilities they have requested, including by working across the aisle to secure funding for the PDI at the levels and in the manner requested by Indo-Pacific Command. Washington should also align these resources with Indo-Pacific Command’s vision for dispersing forces, hardening facilities, and building redundancies into the United States’ regional posture, including a more persistent presence

within the Philippines. It would be smart for the White House to announce these steps as part of the forthcoming National Defense Strategy. Washington should also turn the AUKUS agreement into more than just a nuclear submarine deal. Ideally, the agreement could become a strategic framework for transforming U.S. naval posture in the region, including by giving U.S. ships greater access to western Australia, expanding U.S.-Australian cooperation to include autonomous undersea vehicles, and eventually adding Japan.

The Biden administration should also expand these initiatives to include new countries, especially South Korea. To neutralize China's economic advantage, Washington can encourage Seoul to join its Indo-Pacific economic framework, cooperate on negotiating a digital trade agreement, and fast track an application for CPTPP membership. South Korea is ripe for active cooperation with the Quad and possibly with AUKUS. These moves would set the table for rapprochement with Japan and a new era of trilateral cooperation. The South Korean presidential election in March is the perfect opportunity to make this push.

Last, but certainly not least, the administration must articulate its comprehensive China policy—something it has yet to publicly do—in a way that sustains domestic and international support. It has not shared its diagnosis of the China challenge, and it is unclear if the administration has a prescription and an endgame or if it simply aims for steady strategic competition. The White House appears to be inching toward a strategy of competitive coexistence with Beijing, but the content remains inchoate. The administration must explain how it will address the tradeoffs and costs of the contest, especially for the economic sectors where Chinese countermeasures are already hurting U.S. stakeholders. On Taiwan, it is clear that the demands of deterrence are rising, but Washington will have to settle on a clear and consistent approach as Beijing continues testing Taiwanese resilience and U.S. resolve.

Fortunately for Biden, prioritizing the Indo-Pacific has bipartisan backing. Despite intense and angry fighting over the pandemic, education, and even the 2020 election, Capitol Hill is largely unified on the Indo-Pacific. If Biden reaches across the aisle, which he may be forced to do after November, he will have majorities in Congress for more action on trade and defense. At a time when the United States' domestic politics are in turmoil, U.S. allies and partners in the region would see this bipartisan support as uniquely reassuring, which could prompt them to assume more risk in their initiatives with Washington. That may be essential to Asia's future. If the United States is going to stay consistently involved in the region, its policies will need to have deep bipartisan and transnational support. It cannot afford to pause its engagement.

MICHAEL GREEN is Director of the Asian Studies Program at the Walsh School of Foreign Service at Georgetown University and Senior Vice President for Asia at the Center for Strategic and International Studies. He served as Special Assistant to the President for National Security Affairs and Senior Director for Asian Affairs at the National Security Council during the George W. Bush administration.

EVAN S. MEDEIROS is Penner Family Chair in Asian Studies at the Walsh School of Foreign Service at Georgetown University. He served as Special Assistant to the President and Senior Director for Asian Affairs at the National Security Council during the Obama administration.