



# The 'Unbungling'

By T.J. Pempel

US President George W. Bush addresses veterans and US sailors at Naval Base Coronado in San Diego, California, 30 August, 2005.



**The foreign policies of President George W. Bush have left a trail of dismay across the world, resulting in a cascading collapse of America's reputation, including throughout East Asia. President-elect Barack Obama will have his work cut out for him as he seeks to restore America's standing in Asia and the world, writes political scientist T.J. Pempel.**

PRESIDENT GEORGE W. BUSH'S administration bungled Asia. It will fall to Barack Obama's team to rectify things.

Criticism of the Bush administration's East Asia policies has been surprisingly rare given the mind boggling disasters wrought by imperial overreach in the Middle East and Central Asia, the rise of anti-American regimes across much of Latin America and the deterioration in US relations with what Donald Rumsfeld dismissively designated as "old Europe." America's relations with East Asia look sanguine by comparison and defenders of Bush's behavior in Asia paint an unfailingly rosy picture.<sup>1</sup>

Certainly Asia is at peace; numerous American military arrangements with governments in the region remain strong; formal interactions with most Asian governments radiate minimal overt friction; US-China relations have become pragmatic; the Six Party Talks on North Korea's nuclear capability have become unstuck following years of frustrating immobility; Asians universally applauded American actions during the 2004 tsunami.

Nevertheless, the absence of armed conflict in East Asia can be traced back to well before Bush took office; America's bilateral ties with Asian governments, including those with China, were



# of Asia

1 E.g. Condoleezza Rice, "US Policy Toward Asia," Address at the Heritage Foundation, June 18 2008 at <http://www.state.gov/secretary/rm/2008/06/106034.htm>; Victor D. Cha, 2007 "Winning Asia: Washington's Untold Success Story," *Foreign Affairs*, 86, 6 (November/December, 2007): 98-113; Green, Michael J. (2007) "America's Quiet Victories in Asia" *Washington Post*, February 13: A21.

2 BBC. 2008. "Global Views of US Improve," at [http://www.worldpublicopinion.org/pipa/pdf/apr08/BBCEvals\\_Apr08\\_rpt.pdf](http://www.worldpublicopinion.org/pipa/pdf/apr08/BBCEvals_Apr08_rpt.pdf)  
 3 Pew Global Attitudes Project, "America's Image Slips, But Allies Share US Concerns Over Iran, Hamas No Global Warming Alarm in the US, China," June 13, 2006 at <http://pewglobal.org/reports/display.php?ReportID=252>  
 4 BBC. 2007. "World Service Poll 2007 Global Views of the United States," at [http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/23\\_01\\_07\\_US\\_poll.pdf](http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/23_01_07_US_poll.pdf).  
 5 BBC. 2008. "Global Views of US Improve," at [http://www.worldpublicopinion.org/pipa/pdf/apr08/BBCEvals\\_Apr08\\_rpt.pdf](http://www.worldpublicopinion.org/pipa/pdf/apr08/BBCEvals_Apr08_rpt.pdf)

at least as positive under the administration of President Bill Clinton. Indeed, most of the "positives" cited by Bush administration defenders predate his term. Claiming credit for positive non-changes is at best a variant of "at least we didn't make things worse." Meanwhile, deeper failures are masked, most notably excessive militarization, economic mismanagement and unilateralism.

#### MILITARIZATION OF FOREIGN POLICY

Traditionally, American military capability has played a positive role in expanding America's global influence, helping to resolve numerous crises and contributing to peace in many areas of the world. Yet, military muscle has historically been but one element among a complex and integrated set of America's foreign policy tools that also included economics, moral appeal, public diplomacy, educational openness, cultural tolerance, technological assistance and the like. In addition, hard military force and bilateral alliances were complemented by multilateral cooperation. The cumulative result was substantial flexibility and nuance foreign policy, a ready array of dependable allies, and restraints against the temptation toward excessive unilateralism.

The Bush administration opted for a radically different course, disdaining both balance in its means and multilateralism in its tactics. From its first days in office, and accelerating after the attacks of Sept. 11, 2001, its cadre of neoconservative and hard realist policymakers drove the Bush administration to re-define US national interests in unilateral terms, opting out of longstanding multilateral commitments and operating on the presumption that its unparalleled power afforded America a unique opportunity to transform the world — through preemptive military attacks if necessary.

The results have been dramatic: abuse of the Constitution, the Bill of Rights, and the domestic balance of powers; the unprovoked war in Iraq; hu-

man rights abuses at Abu Ghraib and Guantanamo Bay; explicit use of torture and covert CIA renditions and black sites, to cite only the most obvious perversions. A cascading collapse of America's reputation around the world, including throughout East Asia, was the result. The Philippines, South Korea, Australia, Malaysia, Indonesia, and Japan all showed big drops in pro-American sympathies.<sup>2</sup> In Muslim-majority Indonesia, pro-US opinion dropped from 75 percent to 30 percent over six years.<sup>3</sup> Sixty-two percent of Chinese polled said that the United States represents a negative influence in the world, while just 22 percent viewed its influence positively.<sup>4</sup> Other polls show similar results.<sup>5</sup> Any claims that Bush policies spawned widespread applause for America among Asians is overstated at best.

This collapse in public perceptions of the United States is but the most visible indication of how brusquely the Bush administration reversed the previously positive trajectory of US-Asia relations. The damage played out at governmental levels as well. Earlier administrations had predicated America's policies toward Asia on retaining a power balance across the region, in particular seeking to insure that both China and Japan felt secure from one another and that no regional hegemon emerged. The Bush administration, in stark contrast, explicitly pursued US security primacy, strengthened bilateral military ties with Japan and pivoted on the presumption that China would be America's next major "strategic competitor."

Drawing Japan into the militarization of America's policies was quickly apparent: Japanese military contingents were sent to Afghanistan and Iraq; the Japan Defense Agency was elevated to ministerial status; the two countries collaborated on ballistic missile defense; Japan's space programs were militarized; an American nuclear carrier was based in Japan; and US-Japanese military cooperation was extended to include Taiwan. The Japanese Coast Guard was substantially upgraded

6 Charles L. Pritchard, *Failed Diplomacy: The Tragic Story of How North Korea Got the Bomb*. Washington, D.C.: Brookings. 2007: 52.

in both its role and budget. And, further breaking from past practices, Japanese defense planners for the first time explicitly identified both North Korea and China as potential threats for the first time. Finally, US I Corps headquarters was transferred from Ft. Lewis, Washington to Camp Zama in Japan, thereby weaving Japan more intimately into US global strategies and advancing the bilateral alliance well beyond its original scope.

Not only did these actions sour Japan's relations with its East Asian neighbors, they also divided Japanese elites and bolstered the fortunes of a political opposition highly critical of US policies. The result has been a legislative stalemate over continued Japanese support for the war in Afghanistan and a level of politicization of the US-Japan Security Alliance not seen since the end of the Cold War and the demise of the Japan Socialist Party.

**Ironically, US relations with China may have shown the most positive trajectory, at least in the waning years of the Bush administration, correcting the abysmal lows of the early years.**

Pleasing as such moves were to military advocates in both the US and Japan, they were castigated by many leaders in Asia, particularly in light of the rightward lurch in Japanese domestic politics that included tortured self-absolutions of Japan's historical role in World War II, plans to revise Japan's constitution, regular visits by Prime Minister Junichiro Koizumi to the Yasukuni Shrine and the emotional exploitation of the abductees issue in dealings with North Korea. Among the consequences: the breakdown in bilateral negotiations for normalization of Japan-North Korea relations and the cessation of summit meetings between Japan and the leaders of both South Korea and China for the duration of the Koizumi administration. Only lately have Japan's relations with China and South Korea improved sufficiently to resume such meetings.

In South Korea, relations cratered under Bush. They got off to a dreadful start with the first telephone call between Bush and then President Kim Dae-jung. When Kim urged Bush to engage North Korea, the president put his hand over the mouthpiece asking disdainfully: "Who is this guy? I can't believe how naïve he is!"<sup>6</sup> Relations then oscillated between tepid and ice-cold for the first seven years of the Bush administration, with former President Roh Moo-hyun going so far as to shift South Korea away from its historically close ties to Japan and the US in an effort to become a "balancer" in Asia. More South Koreans now see the US as a greater threat to peace than North Korea; Korean public opinion remains harshly critical of the US and South Korean ties with China have warmed and Korea and the US have been frequently at odds over strategy concerning both the Six Party Talks and broader

South Korean policies toward North Korea. During a courtesy visit by two top American officials, Roh confided to them that his greatest fear was “that he would wake up one morning to find that the United States had taken some unilateral action affecting the Korean Peninsula without his knowledge.”<sup>7</sup>

Bush officials heaved a sigh of collective relief with the December 2007 election of Lee Myung-bak, a far more conservative and pro-American president than his populist predecessor. But even Lee, as the result of his ready accession to heavy-handed US demands to import autos and US beef, confronted massive anti-government demonstrations within months of his inauguration and these

trade policies should be subjected to US sanctions.

Nowhere did the Bush Administration bungle its relations with Asia more than in dealings with North Korea. Under the Agreed Framework of 1994, the Clinton administration had achieved a freeze on North Korean nuclear activity, ensured that the country remained within the Nuclear Non-proliferation Treaty (NPT), stopped plutonium production and allowed regular in-country inspections by the International Atomic Energy Agency (IAEA). Additionally, North Korea voluntarily suspended its provocative missile tests. By the end of the Clinton administration, relations had improved to the point where the two sides pledged that “nei-

**In viewing US policies toward Asia, the greatest danger is that, with the possible exception of the North Korean nuclear problem, few Asian issues will command inclusion on any list of the administration's five or six most pressing problems.**

in turn led to the resignations of most of his cabinet and top officials and the postponement of a visit by Bush to Seoul.

Ironically, US relations with China may have shown the most positive trajectory, at least in the waning years of the Bush administration, correcting the abysmal lows of the early years. Pragmatic cooperation now characterizes the bilateral relationship, as the two sides search for areas of overlapping interest, particularly regarding the North Korean nuclear program. Yet such improvements came at the expense of America's relations with both Taiwan and Japan. Moreover, intra-administration debates have not abated over whether China poses a long-term military threat that must be countered, or whether Chinese monetary and

ther government would have hostile intent toward the other.” Secretary of State Madeleine Albright's subsequent visit to Pyongyang seemed a prelude to a possible presidential visit and the normalization of bilateral relations if not by Clinton then by the incoming president.

The Bush administration bypassed that opportunity, switching policies 180 degrees. It renounced engagement, refused to reiterate the pledge of “no hostile intent,” demanded that the North adopt a host of changes in its domestic behavior, declared North Korea a part of the famous “axis of evil” and hinted that the North could be the subject of its new doctrine of “preventive war.”

Relations spiraled sharply downward following Assistant Secretary of State James Kelly's October

2002 accusation in Pyongyang that North Korea had secretly begun a highly enriched uranium program. These charges served as the basis for Bush's final break with the Agreed Framework, which in turn precipitated the North's withdrawal from the NPT and IAEA inspections and the re-starting of the Yongbyon plutonium facility. The US reacted by formally targeting North Korea for "a new triad [of weapons] composed of long-range conventional and nuclear strike capabilities, missile defenses and a robust industrial and research development infrastructure."

The first four years of the Six Party talks, arranged to deal with these problems, saw little substantive negotiation because the Bush administration continued to demand that North Korea surrender all fissile material before entering into any discussions to address the North's security concerns or peace on the peninsula. Not until after North Korea carried out a series of missile tests in July 2006 and a nuclear test in October 2006 followed by the Democratic victory in both houses of the US Congress in November, did the US show a new flexibility that began to move the talks forward.

The current situation, however, represents a major deterioration in the security situation across Northeast Asia. When Bush came into office, North Korea was suspected of having material for one or two bombs but it was also in the NPT and subject to continued inspection of its plutonium facilities; it was not testing intercontinental ballistic missiles and it appeared primed to normalize ties with the US. By 2008 it had material for 6-13 bombs, had tested a nuclear device, had probably proliferated nuclear technologies to Syria, was much further from bilateral normalization and had a far stronger negotiating hand than when Bush took office.

The overall picture is of a policy mix that relied almost uniformly on America's military prowess as the hammer with which to bash all problematic Asian nails. The Korean peninsula had become vastly more dangerous, relations with Japan had become disproportionately militarized and ties with South Korea, Taiwan, China and much of Southeast Asia remained less friendly than when Bush entered office.

### LOSS OF ECONOMIC CLOUT

If an excessive focus on military might was a serious shortcoming, a corollary failure was ignoring the requirements for a sound economy at home. America's global influence had long rested on its capacity to utilize its economic strength as a tool to enhance relations abroad. Trade, finance and market access were powerful geo-strategic tools in the service of American interests.

With the end of the Cold War, US strategic goals had been subtly redefined to enhance the focus on geo-economics. The Clinton administration, in particular, sought to advance globalization and trade liberalization, convinced that economic growth and interdependence would help reduce the chances of military conflict. East Asia, with its rapid economic growth enhancing its strategic importance, loomed large in this picture.

At home, the Clinton administration paid close attention to internal fiscal balances, the strength of the US currency and improved bond markets. Bipartisan tax hikes in 1994 proved costly to the Democratic Party but resulted in balanced budgets — even surpluses in the waning years of the Clinton presidency — and a dramatic reduction in America's cumulative national debt. When the Bush administration took office, it inherited a budget surplus of \$236 billion and a projected 10-year surplus of \$5.6 trillion. Rather than utilize this powerful economy as a foreign policy tool, the Bush administration pushed through regressive tax cuts and oversaw massive unchecked federal expenditures.

In the Bush White House, top-level economic officials such as Treasury Secretary Paul O'Neil and economic advisor Larry Lindsey were instantly marginalized and subsequently fired for advocating cuts in subsidies for important Republican constituencies, as well as for refusing to subordinate sound economic advice to military expansion and tax cuts. American foreign policy was viewed primarily through the lens of military security while fiscal and monetary prudence were ignored. The result was economic deterioration at home, an 80 percent drop in the value of the dollar against the Euro and a dramatic fall in American economic influence in East Asia.

8 Richard Higgott, "After Neoliberal Globalization: The 'Securitization' of US Foreign Economic Policy in East Asia," *Critical Asian Studies*, 36,3 (2004): 434.

When combined with the phenomenal expenditures for the wars in Iraq and Afghanistan, the budgetary impact was devastating. Yet Bush's economic advice to the American public following 9/11 was straightforward: "Go shopping." By the end of the 2008 fiscal year, the annual budget deficit had ballooned to \$482 billion — a figure that ignored an additional \$80 billion in war costs that was excluded from the budget. In the period between 9/11 and 2008, the federal government debt nearly doubled from \$5.6 trillion to over \$9.5 trillion. Roughly one half of the US debt is now held by foreign entities, with Japan and China — America's Asian cash Cows — the two largest. The infusion of billions of dollars into the economy to forestall a meltdown this fall only exacerbated this problem. Cumulatively, rising debt, the weak dollar and overall fiscal troubles have eroded America's ability to capitalize on economic power as a way to shape Asian behavior.

The Bush administration also moved away from prior efforts to reduce trade barriers at a global level, opting instead for bilateral free trade agreements (FTAs). But America's FTA partners were chosen less for economic than strategic value. Meanwhile, these agreements ran headlong into rising protectionist sentiment at home due to the draconian consequences of the Bush economic policy — the worst job creation record of any administration in the post-World War II era, the ever-widening gap between rich and poor, the dramatic escalation in poverty rates and the rising number of citizens without health insurance.

Of particular significance for East Asia has been rising public opposition to economic openness and free trade, including the pending FTA with South Korea and the rising chorus in the US against "exporting jobs to China." Americans who have watched a steady deterioration in their living standards during eight years of Bush policies have become unsurprisingly receptive to arguments against economic globalization. Anti-free trade sentiment has risen considerably since Bush took office, becoming a serious issue in the 2008 presidential campaign, and threatening to become worse following the global meltdown.

## AMERICAN UNILATERALISM VS. ASIAN REGIONALISM

The Bush administration also engineered a jolting departure from more than half a century of American multilateralism, including regionalism in East Asia. One of the early consequences of the Clinton administration's focus on East Asia's economic strength was that Clinton gave considerable emphasis to boosting the Asia-Pacific Economic Cooperation forum (APEC) as a mechanism that would tie the US to Asia and advance trade liberalization.

As the Bush administration's geographical focus shifted toward the Middle East and Central Asia, it softened its engagement with Asian regional institutions, including APEC. As part of what Richard Higgott labeled the "securitization" of American foreign economic policy, the Bush administration viewed APEC through a security, rather than an economic, lens. As a result, from 2001 onward, American delegations to APEC pressed continually for statements concerning opposition to terrorism while minimizing attention to the economic issues of primary concern to the other participants. During the first three post-9/11 APEC summit meetings "most Asian leaders felt the economic agenda had been hijacked by President Bush to galvanize support for the war in terror in general and support for the military coalition against Iraq in particular."<sup>8</sup>

Senior Bush officials were equally disdainful of the ASEAN Regional Forum (ARF), a body of particular sensitivity to the ten ASEAN countries. In 2005, Secretary of State Condoleezza Rice became the first American holding that office to skip an ARF meeting since its foundation in 1994. Taking their cue from Rice, the foreign ministers of China, India and Japan skipped the meeting or left early. Facing massive criticism, Rice returned in 2006, but in 2007 she again opted not to attend the meeting. At roughly the same time, Bush postponed the 30th anniversary celebrations of the US-ASEAN partnership.

As Bush was reducing America's commitment to regional institutions, however, the countries of East Asia were moving in the opposite direction, creating a host of new bodies, virtually all of which



excluded the US: the ASEAN plus Three process, the Chiang Mai Initiative, the Asian bond market initiative, the Asian Bond Fund, the Shanghai Cooperation Organization, and the East Asian Summit. Membership in these bodies was typically restricted to “Asians only” and earlier bodies such as APEC and ARF were marginalized. The US during the Bush years stood on the sidelines of an increasingly integrating Asian region, with a corresponding decline in influence.

The decision to address North Korea’s nuclear program through the Six Party Talks was a signal

care to infrastructure refurbishment also demand attention even as the government is hemorrhaging capital. The shattering of global respect for the United States has also undermined the hard-won goodwill that once encouraged others to cut the United States a bit of slack for past foibles.

In viewing US policies toward Asia, the greatest danger is that, with the possible exception of the North Korean nuclear problem, few Asian issues will command inclusion on any list of the administration’s five or six most pressing problems. Asia could easily be relegated to the back burner. Yet

**American foreign policy was viewed solely through the lens of military security while fiscal and monetary prudence were ignored. The result was economic deterioration.**

victory for multilateralism over bilateralism and negotiation over confrontation, one of the few exceptions to the more general US unilateralism. Substantively, however, the talks meant a subtle shift away from US leadership in favor of China, which was more broadly enhancing its reputation as a team player across the Asian region. And if the Six Party Talks eventually succeed in achieving the goal of North Korean denuclearization, China will be able to claim a significant share of any plaudits.

#### **THE OBAMA AGENDA**

Without question, the Obama administration will enter office on a wave of global enthusiasm, if only as a welcome relief from the Bush years. Yet it will confront an extensive catalogue of problems — two wars, the Palestine-Israel problem, an international recession, global warming, Darfur and the Congo, to cite only the most headline grabbing. Domestic problems from health

the new administration would be mistaken if it did not make a major effort to “unbungle” America’s relations with Asia.

The nuclear situation in North Korea is far and away the most pressing issue in the region. The Bush administration’s military-dominated approach cost the United States and Asia several years of potentially beneficial negotiating time, leaving North Korea with substantially more nuclear muscle than when the administration came to power. Negotiations have led to the shuttering and inspection of the North’s plutonium facilities. Still, numerous problems remain to be addressed if the current crisis is to reach a satisfactory long-term solution: ensuring the surrender of North Korea’s arsenal of fissile material, creating a verification protocol, dealing with any possible uranium enrichment program and preventing proliferation of the North’s fissile material or nuclear technology, to cite only the most critical. Lurking in the

background are additionally nettlesome issues involving Japanese abductees, North Korea's missile program and steps to help the North overcome its economic isolation and the dreadful poverty and human rights abuses confronting its citizens. Serious attention to the Korean Peninsula will be essential and a permanent envoy to deal with these problems might well be wiser than relegating the situation to simply one item in the complex portfolio of an assistant secretary of state.

Fortunately, many of the other problems bequeathed by the Bush administration can be addressed without top level presidential attention. Excessive militarization can be rectified by returning to a more nuanced mix of policy tools that will reemphasize public diplomacy, foreign aid, economic linkages, pandemic assistance and other non-military policy instruments. Engaging Japan, China and South Korea in non-military ways while backing away from containment policies directed against China will go a long way toward reversing previous imbalances. Creating a trilateral US-Japan-China forum will be one way to move toward multilateral cooperation and to reduce mutual suspicions.

That America's economic house needs to be fundamentally reconfigured is obvious. The tsunami of domestic economic problems will make it politically tempting to move toward protectionism and to single out US trading partners in Asia as threats, rather than allies. The Korea-US Free Trade Agreement risks being among the protectionist targets, but xenophobia also lurks in the background as resistance to allowing Chinese or Japanese investments in troubled US corporations or financial institutions. Any such American closure would send precisely the wrong global message, easily generating dangerous tit-for-tat protectionist measures that would rival those that helped precipitate the Great Depression of the 1930s. Thus, quick passage of the Korea-US trade deal and close cooperation with Asian countries replete with vast stores of foreign reserves would be a welcome indication that the US remains committed to global economic cooperation, while also helping the US to deal with its own domestic economic difficulties.

Finally, US unilateralism must be reversed. A revitalized APEC — focused once again on economic rather than security issues — along with increased attention to the ASEAN Regional Forum as well as emerging Asian bodies such as ASEAN +3, the Chiang Mai Initiative, and the East Asia Summit, would signal to Asia that the United States respects its collective efforts at cooperation and is willing to partner with the region in tackling a host of common problems along multilateral lines — from the environment and education to economic development and energy.

The new president will have the opportunity to reintroduce the United States to East Asia — on far better terms than it now stands. He could easily begin by dispatching incoming Secretary of State Hillary Clinton, Vice President Joseph Biden and several new appointees with Asian expertise on a listening tour across the region. Hearing the problems Asian leaders confront — on their own terms and turf — would go a long way toward repairing past damage.

Initiating such moves in the face of more demanding crises will not be easy. But East Asia remains the world's most rapidly developing region and one in which the United States continues to enjoy a residue of goodwill and potential for mutually beneficial partnerships. For the new administration to delay in reversing recent negative trends would be to squander an enormous opportunity.

**T.J. Pempel is Professor of Political Science at the University of California, Berkeley. His publications include *Remapping East Asia: The Construction of a Region*; *Beyond Bilateralism: U.S.-Japan Relations in the New Asia-Pacific*; *The Politics of the Asian Economic Crisis*; *Regime Shift: Comparative Dynamics of the Japanese Political Economy*; and *Uncommon Democracies: The One-Party Dominant Regimes*. His most recent book is *Crisis as Catalyst: Asia's Dynamic Political Economy*.**