

# The Biden Administration's Chance to Get Asia Policy Right— A View from Japan

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WHEN JOE BIDEN was inaugurated as the 46th President of the United States, US alliance managers around Asia breathed a sigh of relief. From Japan's perspective, while former Prime Minister Shinzo Abe had developed close personal relations with President Donald Trump to maintain a strong alliance with the United States, it was clear that the US retreat from East Asia was harming crucial Japanese interests. Now, liberated from having to cope with Trump's chaotic and transactional "America First" approach to foreign policy, there is hope that attention can be turned to deepening joint cooperation and tackling critical regional challenges. Initial steps by the Biden administration to return the United States to multilateral diplomacy are being welcomed with optimism.

Yet it would be a mistake to think that the world will easily return to normal. The region faces a number of complex challenges—including the intensification of the US-China rivalry, climate change, and North Korea's nuclear weapons—that increasingly undermine shared peace, stability, and prosperity. Even with the return of professionalism to the White

House, these challenges cannot be unilaterally resolved by the United States.

To overcome these challenges, the United States must keep two key concepts in mind. First, the critical nature of the US-China rivalry means that US policy on Asia needs to take a whole-of-theater approach. This involves identifying areas of common interest and of disagreement and developing policies that are predicated on a clear understanding of how those issues intersect with the need to manage the US-China rivalry. Second, the United States needs to develop a multilayered, functional approach to deepening cooperation in Asia. This entails pursuing cooperation through bilateral, trilateral, and multilateral means where interests converge while avoiding negative spillovers.

## **The New US-China Power Balance**

The shifting balance of power between the United States and China highlights the need for intensified cooperation with US allies and friends to best manage China's rise and protect shared regional stability and prosperity. While the United States remains the world's leading military and economic power,

the global and regional order has gradually become more multipolar.

China's rising power is evident across a number of key dimensions. At the end of Barack Obama's first term as president in 2012, China's GDP was 50 percent of US GDP, compared to 70 percent in 2020. The COVID-19 pandemic has further exacerbated this trend. Seen from overseas, the United States has been the country hit hardest by the virus, accounting for over a quarter of all infections globally, while suffering one of its worst economic contractions ever. Although China was the first country affected by the pandemic, it has recovered quickly by contrast, and was one of the few countries in the world to post positive growth in 2020.

At the same time, after four years of the Trump presidency, US moral leadership has been severely damaged. Under Trump, the United States retreated from multilateralism, became a disruptor in key institutions of global governance, violated fundamental principles of free trade, and became mired in threats to its own democracy. As such, the Biden administration will need to engage in intensified consultations with US allies and friends both to resurrect its leadership credentials and to lay the foundation for cooperative approaches to manage the rise of China and tackle regional challenges.

### **A Whole-of Theater Approach to Asia**

Against the backdrop of China's continued rise, the Biden administration has come into office inheriting a number of complex challenges. This includes the need to manage the rivalry between the United States and China in a way that does not fatally undermine shared regional stability and prosperity. Under the Trump administration, the US-China rivalry escalated and underwent three significant shifts: the intensification of competition for high-tech hegemony, a US retreat from championing democracy and human rights, and a change in the US treatment of Taiwan. A whole-of-theater approach is needed to carefully manage these disagreements and prevent escalation and spillovers so that we can move forward with cooperation in areas of common interest, such as mitigating climate change and denuclearizing North Korea.

### **US-China High-Tech Competition**

As competition between the United States and China over high-tech supremacy intensified, the Trump

administration moved toward economic decoupling in an effort to avoid transferring critical cutting-edge technologies and big data access to China that could undermine military and economic security. China is already responding by pursuing the domestic production of critical high-tech components, such as semiconductors. While we need to avoid the transfer of certain sensitive technologies to China, the issue should rather be dealt with as a question of rulemaking so as not to stifle growth, cooperation, and innovation. If current trends continue, they could lead to severe economic bottlenecks worldwide.

It is clear that rules are needed globally, or at least regionally, to establish a level playing field and set standards for intellectual property law and acceptable limits on the role of the state and state-owned enterprises. Assuming it may not be politically feasible for the Biden Administration to return to the Trans-Pacific Partnership (TPP), it should consider how the United States can engage in a regional agreement that builds on the TPP, advancing economic rulemaking while leaving the door open for China to eventually join as well.

### **Human Rights and Democracy**

While President Trump sought to be tough on China, he also retreated from traditional advocacy of US values. Actions to defend the human rights of Uighurs in Xinjiang or to halt crackdowns on democratic protesters in Hong Kong were not given high priority. US allies and friends welcome the renewed emphasis the Biden administration will bring to democracy and human rights, and Japan would welcome efforts by the United States to work in greater partnership with likeminded countries to strengthen democratic norms and institutions in Asia. However, an overly forceful US approach on these issues, such as through unilateral sanctions, is unlikely to sway China, which takes the position that these are internal matters.

### **The Status of Taiwan**

The Trump administration made significant shifts on policy toward Taiwan. Former Secretary of State Mike Pompeo cast doubt on the "one China" policy when he declared in the last months of the Trump presidency that he was throwing out the rule book regarding self-imposed restraints on US relations with Taiwan. Such statements seemed almost designed to provoke China.

It is imperative to avoid an unnecessary conflict over Taiwan. Such a conflict could potentially entangle Japan, as the Self-Defense Forces (SDF) would be expected to support the US military under the September 2015 security-related legislation that recognizes the right of the SDF to engage in limited forms of collective self-defense. Indeed, US policy and rhetoric on Taiwan has the capacity to affect Japan's confidence in the US-Japan alliance. The United States and its regional allies should work together to deter any possibility of military misadventures by China. However, the situation also needs to be carefully managed to avoid a downward spiral stemming from the Trump administration's last-minute poison pill on the "one China" policy and to avoid calls for Taiwanese independence that might push China toward military misadventures.

### *Climate Change*

Irrespective of disagreements with China on other issues, cooperation on climate change is crucial. Given that climate change is an existential threat, cooperation on this common interest should be a no-brainer. As such, the Biden administration's moves to establish a Special Presidential Envoy for Climate, to appoint John Kerry to serve in that position, and to re-enter the Paris Climate agreement are welcome steps.

China and the United States are the two biggest carbon polluters in the world in absolute terms. The European Union has already developed ambitious policies, while Japan and South Korea have committed to carbon neutrality by 2050 and China by 2060. However, international consensus is needed to ensure that these commitments are met. Only the United States has the capacity to carry the nascent consensus forward and bring the rest of the world along.

### *North Korea*

A negotiated settlement with North Korea is also a common regional interest, including for both China and North Korea. Any settlement will require parallel and synchronized roadmaps that set out a step-by-step process on denuclearization and the establishment of a permanent peace treaty. This is the only realistic approach given that North Korea is fearful for its survival post-denuclearization, while the United States is concerned that any premature relaxation of sanctions would allow North Korea to bank those concessions while retaining nuclear weapons.

The Trump administration seemed to be making some sort of progress with its summits, but it made two key mistakes. First, it failed to delegate sufficient authority to negotiators and in effect skipped over the groundwork negotiations. The only way to establish the roadmaps toward a settlement is through dedicated, professional, considered, and patient negotiations. The Biden administration's picks on foreign policy show it has the necessary professionalism to begin this hard work.

Second, the Trump administration focused on bilateral negotiations. Denuclearizing North Korea will require not only bilateral US-North Korea negotiations but also a broader international approach, which entails building US-ROK-Japan unity and then reconvening the Six-Party Talks. President Biden seems to recognize this point given that, in recent phone calls with Japanese Prime Minister Yoshihide Suga and South Korean President Moon Jae-in, he encouraged them to put their differences aside in order to advance trilateral cooperation. But it must not be forgotten that cooperation with China is indispensable in advancing North Korea's denuclearization, given its role as the North Korea's only significant economic partner, as well as its desire to maintain stability on its border. It would therefore be advisable to adopt a two-plus-three-plus-six approach—bilateral dialogues with North Korea, US-Japan-ROK and China-Japan-ROK trilaterals, and the Six-Party Talks.

### **Multilayered Functional Cooperation**

Multilayered and functional cooperation is needed to advance a whole-of-theater approach to Asian foreign policy; to best manage US-China rivalry over high-technology, human rights and democracy, and the status of Taiwan; and to advance cooperation on shared issues such as climate change and North Korea. This means leveraging the regional institutional architecture to develop regionwide cooperation across the bilateral, trilateral, quadrilateral, and multilateral levels to enhance security in the region. This approach is born out of the recognition that the range of diverse values, political systems, and levels of economic development across the region necessitates a practical focus on functions to deepen cooperation on areas of common interest while managing areas of disagreement to prevent escalation and spillovers.

At the bilateral level, the US-Japan alliance continues to be the cornerstone of regional security. To

ensure the continuing stability of the alliance, the United States and Japan have approved a one-year extension of the current arrangement on host-nation support, which had been set to expire at the end of March. The demands by the Trump administration that Japan quadruple its support were bizarrely unrealistic. Looking beyond next year, Japan may consider reasonable increases in the name of deepening security cooperation related to maintaining facilities in Japan and paying the salaries of Japanese on-base personnel. However, any demands to bear the costs of US soldiers' salaries would be akin to hiring mercenaries and would undermine alliance credibility.

At the minilateral level, the Quadrilateral Security Dialogue (the Quad) between the United States, Japan, Australia, and India may be a useful mechanism to develop interoperability. However, while its proponents champion the Quad as an instrument to build a free and open rules-based order, care needs to be taken to avoid framing the Quad as an anti-China mechanism, which could entrench bloc-to-bloc rivalry. Rather, cooperation among the four Quad nations should be developed in a natural and low-key manner to bolster deterrence.

Multilaterally, the region has an abundance of institutional arrangements including the East Asia Summit, APEC, the ASEAN Defense Ministers' Meeting Plus, and the Regional Comprehensive Economic Partnership. The United States and its allies and friends should seek to engage China in functional cooperation through these arrangements, for example encouraging non-traditional security cooperation in such areas as the battle against COVID-19, pandemic preparedness, disaster relief, energy security, healthy aging, and the implementation of the UN Sustainable Development Goals.

China's rise makes it harder to budge on its core interests and issues it considers internal matters.

However, the interface of the region's engagement with China is negotiable. Regional institutions should be leveraged to their full potential to manage foreign and economic policy with China, to steer it away from aggressive technology policies and inflammatory approaches on Xinjiang, Hong Kong, and Taiwan, to engage it in cooperation on regional rulemaking, and to promote cooperation on shared interests such as climate change and North Korea.



Asia faces a number of increasingly daunting challenges, including the intensification of the US-China rivalry, the impact of climate change, and the need to address North Korea's nuclear arsenal. The region enthusiastically welcomes the Biden administration's initial steps to return the United States to multilateral diplomacy. Yet the changing times call for new modes of deeper cooperation. In the context of the US-China rivalry, a whole-of-theater approach toward Asia is needed to identify challenges that represent common interests while carefully managing and avoiding spillovers into areas of disagreement. This is best implemented through multilayered, functional cooperation that leverages bilateral, trilateral, and multilateral mechanisms that can effectively facilitate cooperation with willing partners. In this way, we can jointly address urgent and common regional challenges, manage stability in areas of disagreement, avoid entrenching a divided geopolitical order, and maintain shared peace and prosperity into the future.

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