

REMARKS BY SENATOR JOHN McCAIN AT CSIS ON U.S. INTERESTS IN ASIA

Washington, D.C. – U.S. Senator John McCain (R-AZ) today delivered the following remarks at the Center for Strategic and International Studies (CSIS) on U.S. interests in Asia:

“Thank you, John, for that kind introduction. And let me thank you, and Ernie Bower, and everyone here at the Center for Strategic and International Studies for inviting me to speak with you this morning. CSIS is one of the finest institutions in this city. And I benefit immensely and often from its outstanding work and from the wise counsel of my old friend John and his team.

“Let me also say how much I appreciate all of you for taking time out of your busy schedules to be here today. I am grateful that you still care what a member of Congress has to say. Most Americans no longer do. I believe the approval rating of Congress is now 11 percent. And I have yet to meet anyone in that 11 percent.

“We are down to blood relatives and paid staffers.

“And I am not so sure anymore about some of the blood relatives.

“I joke about this a lot, and it is always good for a laugh. But the truth is – it’s sad. It’s sad how little faith Americans have in their government. And it is not just Americans. I met last week with a business delegation from Malaysia. And one of them said: Senator McCain, when we look at America these days, you seem totally dysfunctional. Your political system seems incapable of making the basic decisions to fix your fiscal problems and project resolve to the world. And by the way, he said, some in Asia are citing these failings to undermine the confidence that your friends still have in you. And do you know what? I couldn’t disagree with him.

“This is an enormous problem, my friends. And it raises doubts about our commitment in the Asia-Pacific region. While it is wrong to speak of a ‘pivot’ to Asia, the idea that we must rebalance U.S. foreign policy with an increasing emphasis on the Asia-Pacific region – this is undoubtedly correct. The core challenge we face is how to make this rebalancing effort meaningful. For at the moment, amid all of our political and fiscal problems, we run the risk of over-promising and under-delivering on our renewed commitment across the Pacific.

“It is difficult to overstate the gravity of the choices before us right now. We face immediate decisions that will determine the vector of American power in the Asia-Pacific region – diplomatically, economically, and militarily – for decades to come. We have to get our bearings right. If we fail, we will drift off course and fall behind. However, if we get these big decisions right, we can create the enduring conditions to expand the supply of American power, to strengthen American leadership, and to secure America’s national interests across the Pacific.

“After all, while the context in Asia is changing, America’s interests in Asia have not. We still seek the same objectives we always have: The ability to prevent, deter, and if necessary, prevail in a conflict. The defense of U.S. allies. The extension of free trade, free markets, free navigation, and free commons – air, sea, space, and now cyber. And above all, the maintenance of a balance of power that fosters the peaceful expansion of human rights, democracy, rule of law, and the many other values that we share with increasing numbers of Asian citizens.

“None of these interests is directed against any other country, including China. The continued peaceful development of China is in our interest. We reject the notion that America wants to contain China or that we seek a new Cold War in Asia, where countries are forced to choose between the United States and China.

“In short, the question we must answer is: Can we in America make the big strategic decisions right now that will position us for long-term success in Asia?

“One of those big decisions pertains to trade. It is often said that the business of Asia is business, but when it comes to trade, the United States has been sitting on the sidelines, and Asia is sprinting forward without us. After four years, this Administration still has not concluded or ratified a single free trade agreement of its own making. It took them until last year just to pass the FTAs with Korea, Colombia, and Panama that the Bush administration had concluded. Meanwhile, since 2003, China has secured nine FTAs in Asia and Latin America alone. It is negotiating five more, and it has four others under consideration.

“And it is not just China. The Japanese Prime Minister announced last week that he wants Japan to begin negotiations on a free trade area with China and South Korea. India is now negotiating an FTA with the European Union. And yet, we will not even conclude a narrower Bilateral Investment Treaty with India, let alone a full FTA, as we should. As of last year, one report found that Asian countries had concluded or were negotiating nearly 300 trade agreements – none of which included the United States of America. The launch of the Trans-Pacific Partnership has brightened this picture a bit, but a deal may be years off – if it happens at all.

“Instead, we should be moving forward with a bilateral trade agenda, starting with India and Taiwan. We should also move more aggressively on a multilateral track. The Trans-Pacific Partnership splits the ASEAN countries. We either need to bring all of the ASEAN countries into the Trans-Pacific Partnership or push for a formal U.S.-ASEAN free trade agreement. The bottom line is that America’s long-term strategic and economic success requires an ambitious trade strategy in Asia.

“A second decision with enormous implications is our regional force posture. And I want to thank CSIS for its continued leadership on this issue. We all share the same goals – strengthening the U.S.-Japan alliance, while maintaining our strategic commitments in the Asia-Pacific region through a robust presence of forward-deployed military forces. Like many of you, however, some of us on the Senate Armed Services Committee were critical of the previous plan to realign U.S. forces on Okinawa and Guam, which had become totally unaffordable. The costs of the Guam move alone had doubled in seven years to more than \$20 billion.

“This crisis actually presents an opportunity for a broader look at our regional force posture. Some Asian countries are showing new interest in a greater rotational presence of U.S. forces in the region. The recent agreement to rotate 2,500 U.S. Marines through Australia could serve as a model for similar activities elsewhere, such as the Philippines. Ultimately, these and other new developments offer an opportunity to think creatively and comprehensively about a new regional force posture, which should include a fresh approach to the realignment on Okinawa and Guam. That is why the Congress included a provision in last year’s National Defense Authorization Act for an independent assessment of these force posture questions. I am pleased that CSIS is conducting this important study.

“It remains unclear how the recent Joint Statement of the U.S.-Japan Security Consultative Committee will fit into this requirement for a broader assessment of our regional force posture. At this time, the Joint Statement raises more questions than it answers – among them, questions on cost estimates, logistical requirements, force sustainment, master plans, and how this proposal relates to a broader strategic concept of regional operations. We need to get these important decisions right. And that is why, even as we seek additional details on the Joint Statement, Congress will not make any major funding decisions until we receive and evaluate the independent assessment on Asia-Pacific force posture that is required by law.

“A similar, and far larger, decision that we must also get right is our defense spending. The Asia-Pacific region is primarily a maritime theater, so our ability to project military power there depends mostly on the U.S. Navy. And yet, the Navy is still short of its own goal of 313 ships. What’s worse, the Administration now proposes to retire seven cruisers earlier than planned, to phase out two major lift ships needed by the Marine Corps, and to delay the acquisition of one large-deck amphibious ship, one Virginia-class attack submarine, two Littoral Combat Ships, and eight high-speed transport vessels. We are now retiring ships faster than we are replacing them. Cuts to our naval capabilities such as these, without a plan to compensate for them, only put our goals in the Asia-Pacific region at greater risk.

“And all of this is before the potential impact of sequestration. The cuts to our defense budget required under sequestration would be nothing less than a unilateral act of disarmament that would ensure the real decline of U.S. military power. A number of us in Congress have offered

proposals to avoid sequestration, but we do not have a monopoly on good ideas. We want to sit down with the President and work out a bipartisan deal. But the President refuses to engage. He has no proposal to prevent what his own Secretary of Defense has called, quote, ‘catastrophic’ cuts to our national defense. Unless the President gets engaged on this issue, he will preside over the worst hollowing-out of our armed forces in recent memory.

“In addition to our military presence, we must sustain our means of engaging diplomatically in Asia. And here, we have a better story to tell – thanks largely to our Secretary of State, who is making U.S. diplomacy more present and impactful than ever in the region. That said, we face major tests now that will signal what role America will play in Asia and how relevant we will be to Asia’s challenges.

“One such test is the South China Sea. The United States has no claims in this dispute, and we should not take positions on the claims of others. Nonetheless, this dispute cuts to the heart of America’s interests in Asia – not just because \$1.2 trillion of U.S. trade passes through the South China Sea every year ... and not just because one claimant, the Philippines, is a U.S. ally ... but because it is crucial for a rising Asia to avoid the dark side of realpolitik, where strong states do as they please and smaller states suffer. Ultimately, this dispute is not about China and the United States. It is about China’s relations with its neighbors. But we must support our ASEAN partners – as they request it – so they can realize their own goals of presenting a unified front and peacefully resolving their differences multilaterally.

“Another major test for U.S. diplomacy is Burma. I have traveled to Burma twice over the past year. And to be sure, they still have a long way to go, especially in stopping the violence and pursuing genuine reconciliation with the country’s ethnic minority communities. But the Burmese President and his allies in the government I believe are sincere about reform, and they are making real progress.

“For the past year, I have said that concrete actions by Burma’s government toward democratic and economic reform should be met with reciprocal actions by the United States that can strengthen these reforms, benefit ordinary Burmese, and improve our relationship. Following the recent election that brought Aung San Suu Kyi and the National League for Democracy into the parliament, I think now is the time to suspend U.S. sanctions, except for the arms embargo and targeted measures we maintain against individuals and entities in Burma that undermine democracy, violate human rights, and plunder the nation’s resources. This would not be a lifting of sanctions, just a suspension. And this step, as well as any additional easing of sanctions, would depend on continued progress and reform in Burma.

“We must also establish principled – and ideally binding – standards of corporate social responsibility for U.S. business activities in Burma. Aung San Suu Kyi has made the distinction

between the right and the wrong kinds of investment. The right investment would strengthen Burma's private sector, benefit its citizens, and ultimately loosen the military's control over the economy and the civilian government. The wrong investment would do the opposite – entrenching a new oligarchy and setting back Burma's development for decades. For this reason, I am not convinced that American companies should be permitted to do business at this time with state-owned firms in Burma that are still dominated by the military.

“U.S. businesses will never win a race to the bottom with some of their Asian, or even European, competitors. And they should not try. Rather, they should align themselves with Aung San Suu Kyi and the Burmese people – who want the kinds of responsible investment, high labor and environmental standards, and support for human rights and national sovereignty that define American business at its best. Our goal should be to set the global standard for corporate social responsibility in Burma – a standard that we, as well as Aung San Suu Kyi, could use to pressure others to follow our lead, and that could become the basis for new Burmese laws.

“These are all undoubtedly large challenges, and they will require all of us to set aside political bickering and point-scoring in order to advance some of our most vital national security interests. I am confident we can come together and do this. I am confident that the prophets of American decline can once again be proved wrong. And I will tell you why – because even as we work to sustain the supply of American power, the demand for American power in Asia has never been greater.

“I will give you an example: On my last visit to Burma, I met with the President. He had most of his cabinet there, and after the meeting, I walked over to shake their hands. As I went down the line, one of them said: ‘Fort Leavenworth, 1982.’ Then another said: ‘Fort Benning, 1987.’ And it went on like that. And I realized: Many of these guys were former military officers who had been part of our military exchange programs prior to our severing relations with the Burmese military. Even after all this time, all of our troubled history, they remembered America fondly, and they wanted to get closer to America once again.

“Take another example: Why are dissidents and asylum-seekers in China running to the American embassy when they fear for their safety? They aren't going to the Russian embassy, or the South African embassy, or even European embassies. Why is that? Is it because we are powerful? Surely, but other nations also have great power. Is it because we are a democracy that stands for the equal rights and dignity of all people? Certainly, but these values are not ours alone.

“So then why is it?

“In short, it is because we marry our great power and our democratic values together, and we act on this basis. It is because, among the community of nations, America still remains unique – exceptional – a democratic great power that uses its unparalleled influence not just to advance its own narrow interests, but to further a set of transcendent values. Above all, this is why so many countries in Asia and elsewhere are drawn to us – because we put our power into the service of our principles. This is why, during my repeated travels through Asia, I meet person after person, leader after leader, who wants America to be their partner of choice. They do not want less of America. They want more – more of our trade, more of our diplomatic support, and yes, more of our military assistance and cooperation.

“At a time when most Americans say they are losing faith in our government, we should remember that there are millions of people in the world, especially in the Asia-Pacific region, who still believe in America, and who still want to live in a world shaped by American power, American values, and American leadership. With so many people counting on us – and by no means counting us out – the least we can do is endeavor to be worthy of the high hopes they still have in us.”

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