All overseas trips by U.S. presidents have significance, but next month’s tour of the Asia-Pacific region by President Barack Obama is more important than most. Coming just days after his final national elections, Obama’s visits to China, Myanmar, and Australia could do more than any other trip he has taken as president to shape his foreign policy legacy. This is a matter of both substance—because the trip could seal the fate of Obama’s Asia “rebalancing” strategy—and style—as Obama’s coalition-building approach to foreign policy will be tested on the trip.

The eight-day trip beginning November 9 will be the usual whirlwind tour of a vast region. The president’s first stop will be Beijing, where he will attend the annual Asia-Pacific Economic Cooperation (APEC) leaders’ meeting and hold bilateral meetings in China. He then moves on to Naypyidaw, Myanmar, for the annual East Asia Summit (EAS), and finally to Brisbane, Australia, for the ninth Group of 20 (G20) economic summit.

While the Asia rebalancing (or “pivot”) strategy won bipartisan praise when it was first articulated in 2011, it has attracted growing criticism for two gaping holes in implementation: Obama’s failure to show up at the last two APEC meetings and last year’s EAS, and limited progress to date on the economic leg of the initiative. The first failing will be forgiven if Obama makes an appearance at the remaining summits over his term, starting with next month’s events. Fixing the second problem depends on two interrelated factors: whether the administration can close a Trans-Pacific Partnership (TPP) trade agreement, and whether it can manage a challenging economic relationship with China.

The success of the rebalancing strategy depends on meaningful progress along all tracks of U.S. policy engagement in the Asia-Pacific region: political, security, and economic. TPP has been the administration’s main vehicle for engagement on the economic track. Thus without a TPP agreement, the rebalancing strategy will at best be incomplete; indeed, it could be counterproductive, as it will be perceived in the region as a primarily military undertaking. On the other hand, success on TPP would solidify the Asia rebalance as Obama’s signature achievement in foreign policy.

As I have noted elsewhere, TPP is close to completion but hinges on agreement between the United States and Japan on market access, especially further opening of the Japanese agriculture market. While the window is closing fast, there is still a slim hope that Tokyo and Washington can reach a deal before TPP leaders meet next month on the margins of APEC. Given the stakes for the rebalancing strategy and his broader legacy, Obama should be doing everything he can between now and then to persuade Prime Minister Shinzo Abe of Japan to make further concessions on agriculture—including publicly promising to push for the necessary trade promotion authority (TPA) from the U.S. Congress after the mid-term elections.

Success on TPP would leave one major part of Obama’s economic strategy in Asia still requiring attention. U.S.-China economic relations have been hugely beneficial to both sides over the past 35 years and a source of ballast in the overall bilateral relationship. But those ties have been frayed recently by U.S. concerns about cyber espionage, intellectual property theft, and a deteriorating investment climate in China. Moreover, since China joined the World Trade Organization over a decade ago, the bilateral relationship has been missing a big economic initiative to focus energies in Beijing and Washington.

Obama and his Chinese counterpart, Xi Jinping, should put these issues near the top of their agenda in Beijing. In addition to seeking ways to manage current frictions, the two leaders should agree on a long-term path toward deeper trade and investment integration based on openness, transparency, and the high standards that have long been pursued by APEC and are now being sought in TPP. Negotiating a U.S.-China free trade agreement, bringing China into TPP, or moving quickly to APEC’s vision of a
OBAMA’S LEGACY TOUR (continued)

Free Trade Area of the Asia-Pacific (FTAAP) is a bridge too far for the indefinite future. But Obama and Xi should give a renewed push to completing a bilateral investment treaty (BIT), which would be a useful end in itself and prepare the ground for deeper integration over the long term.

Beyond the substantive elements, the upcoming trip will also put to the test another dimension of Obama’s legacy: his style of foreign policymaking. This has been widely mocked as “leading from behind” (a term actually coined by a member of Obama’s own team), or ceding America’s traditional leadership role in global affairs. But as John Hamre, CSIS president, has argued, many of the world’s most difficult challenges, from Ebola to Islamic extremism, can be tackled only through international cooperation; by pulling countries together and mobilizing them to collective action, Hamre suggests, the United States can “lead from within.”

This was the logic behind Obama’s decision to embrace the G20 as the premier forum for international economic cooperation in 2009 and two years later to join the amorphous EAS. The success of the G20 at its early summits in mobilizing a forceful coordinated response to the global financial crisis offered some validation of the approach. Similarly, the mere presence of the U.S. president at the EAS summit in Bali in 2011 enabled a frank discussion of maritime security and nonproliferation norms in the region—something that had been impossible when the 10 Southeast Asian nations and 6 Asian partners (notably including China) were the only countries in the room.

But in the case of both the G20 and EAS, those early successes have given way to a loss of momentum at more recent summits. If “leading from within” is the way Obama wants his foreign policy to be remembered, he should use his upcoming trips to Myanmar and Australia to press for tangible progress on the security and economic agendas at the EAS and G20 gatherings, respectively. The focus at Naypyidaw should be getting EAS leaders to endorse maritime confidence-building measures and to speak out as a group on transnational challenges that impact the region, from health pandemics to Islamic extremism. At Brisbane, Obama should embrace the concrete actions Canberra has laid out to promote growth and resilience of the global economy, including infrastructure investment and structural reforms in individual G20 countries, advancing the global trade agenda, and international tax cooperation. (This is important not only to Obama’s foreign policy legacy but also to history’s assessment of him as an economic manager, a topic to be examined in future newsletters.)

President Obama is understandably preoccupied right now with a number of fires burning on the international scene. But on most of these issues, containment of the problem is probably the best outcome he can hope for. A more positive legacy for his foreign policy depends more than anything else on the success of his Asia rebalancing strategy and his efforts to elicit international cooperation to solve challenging global problems, from slow global growth to maritime disputes. Next month’s Asia-Pacific tour offers a number of opportunities to burnish that legacy—if the president is ready to seize them.

As he prepares to engage with his Asian counterparts next month, President Obama could learn a thing or two from Fillmore about diplomacy. The language of Fillmore’s letter is excruciatingly polite: addressed to “his Imperial Majesty, the Emperor of Japan, Great and Good Friend,” the letter makes clear that the president has instructed Perry “to abstain from every act which could possibly disturb the tranquility of your imperial majesty’s dominions.” Fillmore goes on to gently suggest that, “If your imperial majesty is not satisfied that it would be safe altogether to abrogate the ancient laws which forbid foreign trade, they might be suspended for five or ten years, so as to try the experiment.” Unlike Obama could get a trade agreement like that past today’s U.S. Congress.

Matthew P. Goodman holds the Simon Chair in Political Economy. Global Economics Monthly is published by the Center for Strategic and International Studies (CSIS), a private, tax-exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions. Accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author. © 2014 by the Center for Strategic and International Studies. All rights reserved.

Simon Says...

Barack Obama may wish to be remembered as America’s first Pacific president, but that place in history has already been secured by…Millard Fillmore? Few Americans could name a single thing about their 13th president, yet one of his last acts in November 1852 was to sign a letter to the emperor of Japan that launched a century and a half of U.S. engagement in the Asia-Pacific region. The letter, delivered by Commodore Matthew Perry in his “black ships” some seven months later, seeks trade with Japan, safety for shipwrecked American whalers, and coal and other provisions for U.S. steamships crossing the Pacific.