An Address To The Woodrow Wilson Institute

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For the past two and a half years it has been my distinct honor to represent the United States of America in Japan. For most of four years before that I was the Ambassador of the United States to Australia. Those two posts have given me a unique opportunity to think about America's strategic interests in the Pacific. I would like to share with you today some personal thoughts I have on where I think we will need to go in the future if Asia is to remain a region of opportunity rather than conflict for us and the rest of the world. I am particularly grateful for having the chance to discuss my ideas here at the Woodrow Wilson Institute. No President ever had a greater desire to share the blessings of democracy with others than did Woodrow Wilson. He wanted America to lead the world away from perpetual war to a permanent peace. His vision of a democratic Europe took almost a century to realize but he knew that governments chosen by citizens would ultimately be the best hope of mankind. It is a distinct privilege to address an audience at the institute named in his honor.

Before I discuss the broader agenda of American foreign policy in Asia, I thought I might bring you up to date on what is going on in Japan. As many of you are undoubtedly aware, the July Upper House elections were a political defeat of historic proportions for the Liberal Democratic Party. The Democratic Party of Japan which suffered a humbling and humiliating defeat only two years ago now has been given new life and could conceivably come to government in the next Lower House election.

How could such a turn of events have transpired so quickly? The answer I think is pretty simple. The LDP lost favor the old fashioned way – through a series of scandals and an issue of incompetence. Because of the scandals, the public had already lost much of its confidence in Prime Minister Abe's Cabinet, when it was revealed that more than 64 million pension records had been lost by the government. Think for a moment what would happen if an American President had to announce that the Social Security Administration had lost 64 million social security accounts and had no means of verifying whether the money paid in by the holders of those accounts could be credited to them. That in a nutshell is what happened in Japan. An enraged public went to the polls to send the LDP the strongest possible message that corruption and incompetence would not be tolerated. Fortunately, for the LDP, government still turns on who controls the Lower House and since its members were not up for re-election, the LDP remains in control. But the crushing defeat the government of Prime Minister Abe suffered will

echo throughout the rest of the government's term. With the Cabinet reshuffle that has just occurred, the Prime Minister is trying to regain the confidence of the public which he must do if he is to lead the LDP in the next election.

Ironically, with an election that turned entirely on domestic issues, DPJ leader Ozawa appears ready to challenge the LDP first on a foreign policy issue the extension of Japan's fueling operations for coalition ships in the Indian Ocean which is part of the international operation sanctioned by the Untied Nations in Afghanistan. Hopefully, Mr. Ozawa and the DPJ will realize that Japan is playing a vital and unique role in Afghanistan and the War on Terror and the absence of Japanese participation will increase the burden on others for keeping the sea lanes open and the terrorists at bay. Japan gets approximately 90% of its oil out of the Middle East. It is not in Japan or the world's interests for Afghanistan to become a more challenging or chaotic place. It is not in Japan's interests for terrorists to believe that the Japanese government has no interest in the outcome of civilization's struggle against those who would kill innocent citizens of whatever nationality to advance their political cause. Terrorism is the bane of our time and all of us must do our part to eliminate it. Hopefully, Mr. Ozawa and the DPJ will decide that the issue is above partisan politics and will focus on some thing else to differentiate the **DPJ** from the government.

Japan is an interesting place right now. Apart from the impact of the recent election a lot has been going on over the last six or seven years that could have a profound impact on the future of Japan, Asia and the international order. There is a desire in Japan for World War II to come finally to an end. Japanese know that they still carry a lot of historical baggage from the war. They are torn between wanting to preserve the best from the post-war era and assuming a more "normal" relationship with the rest of the world. Japanese wrestle with the desire for Japan to speak with a louder voice in international affairs without rekindling the fears that somehow Japanese militarism will be reborn.

Japan is the only country in the world with a pacifist constitution – a constitution by the way that has never been amended in its 61 year history. – a constitution that allowed Japan to reconstitute and rebuild itself after the devastation of the Second World War without firing a shot in anger. It is no wonder that Japanese want to assess all their options before embarking on constitutional reform. And let me pause here to say one thing. What Japan decides to do in the area of constitutional reform is solely a matter for the Japanese to decide. The United States welcomes the notion of Japan speaking with a louder voice in international affairs – Japan, after all, has been a model international citizen for more than sixty years, but whether or not that requires constitutional reform is a matter for the Japanese to decide - not Americans.

Right now Asia is in the midst of redefining itself and Japan is trying to figure out how it will fit in. There is a level of angst and anxiety among Japanese citizens and government officials that occurs as a result of the uncertainties of the

regional order. Asia has traditionally viewed itself in vertical terms – somebody is above, somebody is below. This verticality has been decided by military or economic clout. For decades now the first position in the Asian power structure has been occupied by the United States. Both militarily and economically the United States has been without peer in Asia since the end of the last war. The Japanese having built the second largest economy in the world have viewed themselves as the preeminent Asian economic power. Now, with the return of China to Great Power status, some Japanese worry that Japan will lose its place, that it will fall to third in the power structure of Asia with a negative impact on Japanese influence in the region and the world. Yet, a conundrum presents itself to the Japanese. China is perceived both as a growth opportunity for the Japanese economy and a rival for Asian influence. I am convinced that Japan can live with an Asian order that sees an equality with China for Asian leadership but I think most Japanese would be very uncomfortable with a situation where Japan would be seen as holding an inferior position to that of the Chinese. Like all of us, Japan wants to maintain a position of influence in the world where it can exert leadership rather than be reactive to the policies made by others. China worries Japan and frankly, Japan worries China. There has never been a time when both enjoyed Great Power status at the same time and neither is confident that it is in their own best interest to do so now. I believe that it can happen but I also believe that the United States will have to play an indispensable role in making it happen. It will not be easy and will not occur without numerous opportunities for all of us to make mistakes. But our job – whether it is the United States, Japan or China - is to realize that our mutual interests will be better served through cooperation than confrontation.

Add to the Sino-Japanese anxiety over global and regional rivalries a real security threat like the development of nuclear weapons in North Korea and you understand why I believe serving in Tokyo is one of the most interesting and important places you can be right now. There is no question that a nuclear North Korea would be a very destabilizing thing for North East Asia. If allowed to stand, it would increase the pressure on Japan and South Korea to go nuclear themselves and if you think the region has potential for miscalculation and mistrust now, think what it would be like if all the actors involved had a nuclear option with the potential for a "Guns of August" chain reaction that could incinerate millions if not hundreds of millions. That is why the Five Parties have joined in the Six Party Talks to convince North Korea that it is in no one's interest including North Korea for them to have nuclear weapons. The United States sees an additional reason to be concerned about North Korean acquisition of nuclear weapons because we know that terrorists covet the possession of the technology and weapons that could produce the ultimate act of terrorism. We want no potential sellers for a market that we already know exists. That is why the Six Party Talks carry such gravity for us and that is why we will never accept North Korea as a nuclear weapons state.

Asia of course is not the only place where the world order is redefining itself. Europe is so different now than it was before the collapse of the Soviet Union. It is not really a question of an Old Europe versus a New Europe taking a different view of the world, it is rather a Western European and an Eastern European view of how one Europe should act and speak. A turn of events, by the way, that few if any Europeans ever thought would come about so long as the Soviet Union existed. Now, Europeans who thought they would never get a chance to realize their destinies in free and open societies are debating with Europeans who were born into freedom about the look and feel of Europe in the future. It is little wonder that the debate there most often focuses on Europe itself rather than the rest of the world. There are big questions that need to be resolved. How will Europe govern itself? Will it speak as one or a collection of many? How does it project power? Will citizens be put in harm's way for their country or their continent? These are important questions and they will be difficult to answer. While they are being debated American leadership will continue to be needed in shaping the big issues that will confront the international community. We may sometimes tire of the burden and become frustrated with its difficulty, but we can not put it down because there is no entity capable of taking our place. And no entity that could do a better job of helping others to realize their ambitions of a free and prosperous world that elects its own governments and governs through the rule of law.

What then must be America's specific role in North East Asia? For one thing we will continue to be the single thread that runs through the stability of the region. Asia is the last place on earth where Great Powers could still reasonably collide. On either the Korean Peninsula or in the Straits of Taiwan, scenarios still exist where events could lead to catastrophic consequences. In a strange sort of way, all the nations of North East Asia have come to depend on us to keep things from getting out of hand. The Chinese look to us to keep the lid on the situation with Taiwan. Taiwan looks to us to keep the lid on the situation with China. The South Koreans and Japanese look to us to keep the lid on the North Korean situation. The Japanese look to us to keep the lid on the situation with China. The Chinese believe that Japan in alliance with America is safer to them than a Japan going it alone. The Japanese believe that a South Korea in alliance with America is safer to them than a South Korea going it alone. Without an America engaged and aware of its leadership role in Asia, Asia would become a very dangerous place in a very short period of time. Our interests and Asia's interests are the same – stability and the continued strengthening of free markets, free thought and free political institutions. Engagement by America in Asia is essential to accomplish those goals. America is the indispensable ingredient for continued peace in the Pacific. Now do not get me wrong. I am not one who believes that every problem in the world has an American solution. Far be it from that, but America is the only nation in the world that I see with the military and economic power to play both a stabilizing as well as a nurturing role in the development of an Asian and international order that relies on the rule of law rather than the barrel of a gun. It is in America's own interest to remain fully engaged in Asia.

As we approach our role in Asia, we must recognize that it will not necessarily mirror every experience we have had in Europe. Since the invention of the nation state, generations of Europeans grew up thinking about how to balance

one nation's interests against another's. This horizontal sharing of power became the mainstay of European foreign policy and the center of gravity for the international order. British foreign policy was grounded on the notion that no one nation should be dominant in Europe. French and Russian foreign policy always wanted the German states to have to contemplate a two front war as a means of moderating German ambitions. Germany from the opposite perspective wanted to avoid such a situation in order to increase its options inside and outside Europe. All looked to others as a means of enhancing their own positions inside Europe. Now, with the advent of the European Union and the collapse of the Soviet Union all that has changed. But the culture of balancing one nation's interests against another's has not.

America came of age as a Great Power seeing itself in a European mirror. Our foreign policy has largely been Eurocentric. As a result we often looked at the world in European terms – searching for balance in a European fashion. Simply put, that is a very foreign concept to most Asians. Power has not been shared horizontally in Asia, it has as I have said, been thought of in vertical terms. The strongest have been on top, the weakest in descending order. Asia will need time to get comfortable with the notion that someone's advance does not have to come at the expense of someone else's decline. I find it somewhat amusing but also instructive that America's pop culture phrase of creating a "win – win situation" has caused translators in Chinese, Japanese and Korean so much trouble because I am told there are literally no words in any of those languages that convey the thought Americans are trying to express.

American foreign policy in Asia has been largely successful during the post war era by essentially following a hub and spoke model. We have good bilateral relations with friends and allies that are not dependent on their multilateral cooperation with each other. While such a policy has worked well in the past, it is time now to encourage more cooperation between American allies and friends than we may have seen in the past. When I arrived in Japan, I would often say to people that the United States and Japan enjoy an extraordinary relationship. I would also say that the United States and Australia enjoy an extraordinary relationship and it was my feeling that there was no reason why Japan and Australia could not have the same kind of relationship with each other that they each had with the United States. Sometimes people looked at me a little strangely but now after several Australian, American and Japanese trilateral conferences we are working together more and more as three great democracies that share a common desire for similar outcomes in the Pacific. American allies working together more closely is a proposition that will benefit both America and our allies. And it is also a position that does not threaten China.

We must continually remind the Chinese that we are not trying to contain China; we are trying to integrate China into a new international order where Chinese influence will be recognized in a constructive and productive way. That is what Bob Zoellick was trying to say when he talked about making China a

"responsible stakeholder" in the international order. China benefits from the rule of law, the liberalization of trade and the stability of a world at peace, it should support that system by discouraging the same bad actors from doing the same bad acts that the rest of us abhor. It is in China's interest, America's interest and the world's interest for China to assume the responsibilities as well as the status of a Great Power. If it does that, Chinese influence will grow not at the detriment of others but to their applause.

We must be careful, however, that our actions not be misinterpreted by the Japanese. We have an old saying in Texas – never trade an old friend for a new friend or you will wind up with no friends. The United States wants to have better But the United States also understands that our new relations with China. friendship with China cannot come at the expense of our friendship with Japan. For more than fifty years Americans have well understood that our security is inextricably tied to the security of Japan. If for some reason the Japanese lost faith in our ability to defend them, if they thought that they had to go it alone, then Asia would instantly become more dangerous. On the other hand, when Japan feels comfortable in alliance with America there is a calm felt throughout Asia. No one -Japanese or American that I have run into seriously argues that Japan would be better off isolated from the rest of the world rather than allied with the United States. On the contrary, most Japanese today know that they are more secure when walking with America than they would be walking alone. We need to ensure that they continue to feel that way.

We also need to reassure the Japanese that their bilateral relationship with us will not suffer if America's friendship with others in Asia grows. Just as America's special relationship with the United Kingdom continues even as the British relationship with the European Union grows, our relationship with Japan must continue to deepen even as we attempt to broaden our relationship with others and others broaden their relationships beyond just that with America. Indeed, the best chance for advance in multilateral relationships will come when our bilateral friends and allies believe their special relationships with the United States are not in danger of ending.

The center of gravity in the international system is moving to Asia and the Pacific. When you think of America as a Pacific nation, then you must realize that the three largest economies in the world are already in the Pacific, as well as the largest militaries. Most of the world's population lives in the Asia Pacific area. Innovation, opportunity and creativity pour out of the Pacific, but so do challenges and the potential for confrontation. The United States is the only nation that can offer the leadership and power to persuade others that cooperation rather than confrontation is the best path to peace and prosperity.

Americans sometimes grow weary of the burden we carry in the international community. We wonder why others cannot do more or we cannot do less. When that argument is made in the future perhaps it might be good to

remember the namesake of this institute. Woodrow Wilson had a dream for Europe and the world. He knew that the best way for America to find peace in Europe was for America to stay engaged in Europe. He wanted the international community to speak with one voice when it came to respecting the rule of law and the values of liberal democracies. He wanted America to be engaged in Europe, engaged in the world so that justice could more easily be done and liberty more easily won. But after the devastation of World War I, the frustration of a harsh and bitter peace and the refusal of America to join the League of Nations, many, many Americans argued that Europe should be left to Europeans and America should rely on the security of two great oceans to protect it from the ravages of another world war. The results were disastrous for Europe, disastrous for the world and disastrous for America. We can never travel that road again. America is an Atlantic nation, America is a Pacific nation, America is an idea whose universal values and leadership still give the world its best chance for the establishment of a world order that prizes hope over hate and peace over war. Woodrow Wilson knew that and deep in our souls we know that too. America still has the ability to make a dangerous world less difficult and a difficult world less daunting to those who appeal in Lincoln's phrase to the "better angels of our nature".