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# TOWSON UNIVERSITY JOURNAL OF INTERNATIONAL AFFAIRS

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**LETTER FROM THE EDITOR**

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In this first electronic edition of the Towson Journal of International Affairs, we have several articles covering a wide range of international affairs topics. Our first article, *Libya, Obama, and the War Powers Resolution* by Michelle Mandley examines the use of the War Powers Act by President Obama in the Libya crisis, and provides suggestions about how future crises can be handled by UN and NATO forces when military intervention is needed. Next, we have Steven Novotny's assessment of the impact of NATO enlargement on the United States. In his article *North Atlantic Treaty Organization (NATO) Enlargement: An Overview and Analysis*, Novotny provides suggestions for how expansion of the organization can be executed in the coming years. Also included in this issue is Mart Moora's *American National Security Interests- Undermined by Foreign Debt?*, in which he analyzes how foreign held American debt could undermine America's national security interests. He also discusses how authoritarian regimes such as China could have extra influence over American national security as well as how these regimes could undermine the U.S. Dollar. This is followed by Emmanuel Welsh's, *Transforming the U.S.-Japanese Alliance: A Case for a Lesser American Role in Japan's Security*. In this piece, the author examines the role of the U.S. in Japanese national security as well as the possible future of Japan's increased role in their own national security. Finally, we include a review of Muldoon, Aviel, Reitano, and Sullivan's *The New Dynamics of Multilateralism: Diplomacy, International Organizations, and Global Governance* by Dr. Matthew Hoddie of Towson University.

Sincerely,  
Mary McCarthy  
Editor in Chief

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# Libya, Obama, and the War Powers Resolution

Michelle Mandley, Towson University

The 2011 intervention in Libya can be seen as potentially leading a new tradition in U.S. foreign policy. It did not follow the unilateral tradition that has been used in the past, nor did it play out like the most recent wars in Afghanistan and Iraq. The scope, length, and type of operation that took place in Libya are the characteristics used to argue that the intervention in 2011 was not, in fact, a war.

The War Powers Resolution of 1973 (WPR) outlines the protocols the president is expected to follow when engaging in any hostilities without Congressional approval, but the resolution fails to give a concrete definition of “war” and “hostilities.” The WPR was passed with the intention of reining in the executive’s new found war powers, while reasserting Congress’ original constitutional powers. The resolution does not have the stature to take away or limit presidential power. The war powers debate, as well as the separation of powers debate, between the legislative and executive branches is nothing new, but plays a special role in the Libyan intervention because it was a rare case when Congress wasn’t a necessary actor. President Obama acted within his power as President when authorizing military action in Libya and was not in violation of the WPR. The intervention in Libya cannot be defined as a “war” under the WPR, therefore congressional approval was unnecessary with UN Security Council authorization and military action within NATO. Active U.S. membership within the United Nations and NATO are essential to maintaining good standing in the international community. The UN and NATO are two of our most significant and important treaties and it is the sole responsibility of the president to ensure that such treaties are being upheld and executed properly.

The intervention in Libya was a long time coming. Under the lengthy Qaddafi regime, Libya had maintained both a dangerous and volatile reputation within the international community, being known for harboring terrorists and massacring its own people. Muammar Qaddafi had begun to make concessions during the early 2000’s under George W. Bush’s presidency by being one of the first Arab leaders to denounce the terrorist attacks of 9/11 and giving approval of the American invasion in Afghanistan, but his internationally cooperative attitude did not last long.<sup>1</sup> Things within Libya began to fall apart in February of 2011. What started as rather modest protests from anti-government rebels quickly degenerated into extreme violence and a full on civil war. The government of Libya responded with the repression and violence that had been its hallmark since the late 1960s. Qaddafi declared he would show no mercy when cleansing Libya house by house inflicting punishment, and compared his people to rats.<sup>2</sup> According to David Lawrence,

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1 “Libya - Revolution and Aftermath,” *New York Times*, June 11, 2012, <http://www.nytimes.com/top/news/international/countriesandterritories/libya/index.html>

2 “Libya - Revolution and Aftermath”

“high-level defections from the government, the ordering of large-scale executions, and the threatened use of armored fighting vehicles against civilians and civilian populated areas provided the impetus for an international opposition movement that appeared to have the overthrow of the internationally disliked dictator, Qaddafi, as its object.”<sup>3</sup>

The continued threats and violence engulfing the country created an environment that was impossible for the world to ignore. U.S interests in Libya were based on our core principles and values, the threat of the Libyan unrest spreading throughout the region, and Qaddafi’s history of supporting, training, and harboring terrorists. The most important of our core values as a country is freedom--freedom from despotic government, freedom from physical and mental abuses, and freedom to live life the way one chooses. Theories of American Exceptionalism hold that the United States has a uniqueness and special virtue that ground our foreign policy in Principles much more than the policies of other countries, and thus the U.S. needs to stand-up for the principles on which it was founded and not be just another player in global power politics.<sup>4</sup>

Assertions of American Exceptionalism are evident throughout history in many different forms. President Woodrow Wilson declared that U.S. entry into World War I was intended “to make the world safe for democracy.” In his speech, he stated:

We shall fight for things which we have always carried nearest to our heart form democracy, for the right of those who submit to authority to have a voice in their own government, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world in itself at last free.<sup>5</sup>

It was also part of President George W. Bush’s launching of the war on terrorism as not only a matter of security but also a war against evil and a “fight of all who believe in progress and pluralism, tolerance and freedom.” President Obama too declared in his inaugural address that “America is a friend of each nation and every man, woman, and child who seeks a future of peace and dignity.”<sup>6</sup> In the June 3rd Congressional meeting considering House Resolution 294 to remove U.S. armed forces from Libya, Representative Jim Moran defended military action in Libya through the notion of American exceptionalism, stating:

We are always going to be involved in what is taking place around the world, because we are the world’s economic, military and moral superpower. To choose not to act, particularly at a time of such crisis and transformation that is occurring throughout the Arab World, is, in fact, to choose. In this case, it would be to choose to define us as a people who as decided to look the other way, to choose not to hear the cries of desperate help from the Libyan people

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3 David F. Lawrence, “The Alliance decides the mission? Multilateral decision making at the UN and NATO on Libya, 2010-2011.” Masters Thesis, Naval Postgraduate School, 2012, 4.

4 Bruce W. Jentleson, *American Foreign Policy: The Dynamics of Choice in the 21st Century*. New York: Norton & Company, 2010, 90.

5 Jentleson, *American Foreign Policy*, 17.

6 Jentleson, *American Foreign Policy*, 17.

who have chosen to put their lives in the line in the cause of democracy, of individual liberty and of freedom from oppression. These are the values that define us as a people and as a Nation. They are the values that that give hope to world of repression and despotism that will continue to exist if we do not stand up, speak out and have their back at such a time as this.<sup>7</sup>

Since World War II, the U.S. has taken on the role as defender of the people all over the world. To be clear, U.S. involvement in the numerous interventions on behalf of repressed people are not solely based on the extremely good nature of our democratic state. The U.S. has serious interest and motive in helping to shape the international community into something mirroring itself. Democratic Peace Theory is the counterpart to American Exceptionalism that brings the importance of America's core values full circle. This theory asserts that by promoting and helping to achieve democracy around the world, the U.S. is promoting peace.<sup>8</sup> That is, if the majority of the world were democratic in nature and entertained similar values and principles, the international community would be much less conflictual and more cooperative, thus decreasing potential security threats to the U.S. and the world as a whole.

There are numerous dangers that have the potential to arise when situations like the one in Libya go unattended and are given the chance to grow. Bruce Jentleson states, "failures to defend basic values and of confronting crimes against humanity, no matter where they occur, undermine the sense and structure of the international community because these conflicts not only feed on themselves but spread to other areas."<sup>9</sup> The "Arab Spring" that took place in North Africa in 2010 is a prime example of the threat that is posed by the spread of mass conflict. Although the Arab Spring was generally seen as a positive shift towards democracy for the Middle East, it often produced mass violence and the environment for more unstable governments to be created. Demonstrations in Tunisia, Egypt, and Libya shared a common cause for personal dignity and responsive government, disrupting the old order of the Middle East and leading to conflict in several different countries. The violence shocked the world amid the seismic realignment of power associated with the popular uprisings among the North African and Arab nations.<sup>10</sup>

The Libyan people were very clear about their dissatisfaction with Qaddafi and the country was on the verge of a horrific civil war. It had the potential to escalate and spread far beyond the borders of Libya, into other unstable Middle Eastern countries, creating a situation that most definitely would threaten the international community and structure. The Libyan crisis is also the type of conflict that enables and encourages terrorist groups like Al-Qaeda to seek to exploit. It is important not only for the U.S. but the entire international community to prevent this kind of conflict in order to maintain a peaceful environment. Blatant and horrific human rights abuse is not a part of American values and stopping such actions is the duty of the U.S. if we are to stay true to our own principles. American power depends heavily on credibility and weak action or inaction in the face of

7 U.S. Congress, House, 2011, *Libya War Powers Resolution*, 112th Cong., June 3, 2011.

8 Jentleson, *American Foreign Policy*, 17.

9 Jentleson, *American Foreign Policy*, 483.

10 Lawrence, "The Alliance decides the mission?", 15

humanitarian abuses undermines that credibility. Qaddafi believed he had a strong military advantage over the rebel army and so continued his abuses. Without intervention and support for his victims, Qaddafi's strength and power would only have grown, undermining the fundamental basis of U.S. power and creating an even larger security threat.

The United Nations Security Council (UNSC) has the authority to authorize enforcement measures under Articles 39 and 42 of the UN Charter in response to "any threat to the peace, breach of the peace, or act of aggression."<sup>11</sup> On March 17, 2011, the UNSC decided that the attacks on and continued threats to civilians and civilian-populated areas in Libya by the Qaddafi government, constituted a serious threat to international security and adopted Resolution 1973. Resolution 1973 invoked Chapter VII of the Charter of the United Nations and authorized member states and regional organizations "to take all necessary measures to protect civilians and civilian populated areas," established a no fly zone, enforced an arms embargo, and increased the scope of Libyan government financial assets to be frozen by the member states in which they are located.<sup>12</sup> This gave the U.S. the choice of whether or not to take action in helping the Libyan people because the resolution was not legally binding. Because the resolution authorizes action from regional organizations, multilateral action within NATO was also a choice for the U.S., an option that would reduce burden to any one country and limit U.S. involvement.

Although Resolution 1973 uses the language "all necessary measures," it explicitly prohibits any "foreign occupation force of any form on any part of Libyan territory" and requests any action by member states be immediately reported to the Secretary-General.<sup>13</sup> By prohibiting any foreign occupation, the scope and type of all action in Libya was automatically limited. The intention and effect of the intervention was never war. Resolution 1973 is significant in that it is the first time that the UN Security Council has authorized the use of military force for human protection purposes against the wishes of a functioning state.<sup>14</sup> The resolution evidences the threat and fear felt by the international community and the immediate need for limited intervention.

On March 19, 2011, just two days after UN authorization, U.S.-led military action under the code name of Operation Odyssey Dawn began. The initial goal, with help from coalition partners, was to implement a no-fly zone to prevent Qaddafi's forces from carrying out air attacks on the rebel army.<sup>15</sup> Military forces from Britain, France, and the U.S. began

11 U.N Charter art. 39 ("The Security Council shall determine the existence of any threat to peace, breach of peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security."); id. art. 42 ("The Security Council may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include...blockade, and other operations by air, sea, or land forces of Members of the United Nations.").

12 United Nations Security Council, Resolution 1973 (2011), March 17, 2011.

13 United Nations Security Council, Resolution 1973 (2011), March 17, 2011.

14 Alex J. Bellamy, "Libya and the Responsibility to Protect: The Exception and the Norm," *Ethics and International Affairs*, (2011): 1.

15 John R. Crook, "Contemporary Practice of the United States relating to International Law," *The American Journal of International Law* 105, no. 3 (2011): 572. Accessed October 7, 2012, <http://www.jstor.org/stable/10.5305/amerjintellaw.105.3.0568>.

missile and aircraft attacks on Libyan air defenses and military targets.<sup>16</sup> On March 21, 2011, President Obama notified Congress that, two days earlier at 3 p.m. Eastern Daylight Time, “U.S. forces at my direction commenced military operations against Libya to assist an international effort authorized by the United Nations Security Council.”<sup>17</sup> Within his statement he offered several details on the scope of military operations taking place, with the U.S. acting only temporarily as the leader of the operation. The U.S. initially controlled strategic command of the military intervention, simply coordinating missions between coalition members. He stated that, “acting under Resolution 1973, coalition partners began a series of strikes against Libya’s air defense systems and military airfields for the purposes of preparing a no-fly zone.” He assured Congress that the strikes “will be limited in their nature, duration, and scope and that U.S. military efforts were designed to be discrete and focused on American capabilities to set the conditions for our European allies and Arab partners to carry out the measures authorized by the U.N. Security Council Resolution.”<sup>18</sup> His intention was to be clear that the operation was a multilateral effort with the U.S. having a temporary leadership role and that the actions taking place were not consistent with “being at war.”

In the opening hours of Operation Odyssey Dawn (OOD), U.S. strikes involved the launch of 112 Tomahawk cruise missiles from U.S. ships against shoreline air defenses of Qaddafi, while U.S. Air Force B-2 Spirit bombers struck down combat aircraft shelters and fighter jets conducted missions searching for Libyan ground forces to attack.<sup>19</sup> By day two of the operation the no-fly zone had effectively been put in place with the help of U.S. fighter jets. The next 10 days of OOD involved coalition forces using only air and sea capabilities to weaken Qaddafi’s defenses. The U.S. was responsible for 80% of air refueling, 75% of aerial surveillance hours and 100% of electronic warfare missions under OOD.<sup>20</sup> Aircraft and naval vessels from many other countries including, Canada, Denmark, Greece, Italy, Romania, Spain, Turkey, the Netherlands, Norway, Qatar, and the United Arab Emirates, were all involved in the operations against Libya.<sup>21</sup>

Just 12 short days after the first action in Libya, on March 31, 2011, the North Atlantic Treaty Organization (NATO) assumed sole operational control of enforcing the no-fly zone and the arms embargo authorized by the UNSC and soon after expanded to include control of attacks on Qaddafi’s ground forces. Operation Odyssey Dawn ended and Operation Unified Protector (OUP) began once under NATO command. The transfer of responsibility for military operations in Libya from the United States to NATO enabled U.S. involvement to assume a strictly supportive rather than leading role in the coalition’s

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16 Crook, “Contemporary Practice,” 572.

17 Louis Fisher, “Military Operations in Libya: No war? No Hostilities?,” *Presidential Studies Quarterly* 42, no. 1 (2012): 178.

18 Louis Fisher, “Military Operations in Libya,” 178.

19 Jeremiah Gertler, “Operation Odyssey Dawn (Libya): Background and Issues for Congress,” Congressional Research Service, (2011): 11. Accessed December 6, 2012, <http://fpc.state.gov/documents/organization/159790.pdf>.

20 Gertler, “Operation Odyssey Dawn”, 11.

21 Crook, “Contemporary Practice,” 573.

efforts.<sup>22</sup> Through the use of only missiles, fighter aircraft, and drones, the operation was successful in aiding the Rebel army to defeat Qaddafi and remove him from power. Qaddafi was violently killed in the streets of Tripoli by Libyan citizens on October 20, 2011 with an interim government taking his place. NATO officially ended OUP on October 31, 2011. In total, NATO and partner air assets had flown more than 26,000 sorties, an average of 120 sorties per day. Forty-two per cent of the sorties were strike sorties, which damaged or destroyed approximately 6,000 military targets.<sup>23</sup> At its peak, OUP involved more than 8,000 servicemen and women, 21 NATO ships in the Mediterranean and more than 250 aircrafts of all types. By the end of the operation, NATO had conducted over 3,000 hailings at sea and almost 300 boardings for inspection, with 11 vessels denied transit to their next port of call.<sup>24</sup>

In total, the Libyan intervention lasted seven and a half months, cost the U.S. \$869 million, and resulted in only two military casualties, neither of which were U.S. soldiers. The United Kingdom assumed the most cost out of the nine foreign powers that contributed to funding the intervention -- an estimated \$1.5 billion was spent.<sup>25</sup> When comparing the duration, number of casualties, and money spent in Libya to that in Iraq and Afghanistan, the intervention in Libya hardly seems to fit the definition of war. The war in Afghanistan is going on its thirteenth year of operation and the war in Iraq is on its eleventh year of operation, and neither have a definitive end date. As of February 28, 2012 operations in Iraq and Afghanistan have killed 6,383 United States service members and wounded an additional 47,638 men and women of the United States military.<sup>26</sup> Congressional Research Services reports the wars in Iraq and Afghanistan along with enhanced homeland security has costs taxpayers \$1.283 trillion through 2011.<sup>27</sup> In June 2011, a nonpartisan investigation by Brown University's Watson Institute for International Studies put the cost of wars in Iraq, Afghanistan and Pakistan at \$4 trillion and 225,000 military and civilian deaths.<sup>28</sup> The stark differences between the multilateral actions in Libya and the unilateral action in Iraq and Afghanistan provide evidence of how truly limited the Libyan intervention was and what war really looks like.

Although U.S. participation was limited, President Obama and his administration

22 Louis Fisher, "Military Operations in Libya: No war? No Hostilities?," 179.

23 NATO - Topic: NATO and Libya, "Facts and Figures," Accessed December 7, 2012, [http://www.nato.int/cps/en/natolive/topics\\_71652.htm](http://www.nato.int/cps/en/natolive/topics_71652.htm)

24 NATO - Topic: NATO and Libya, "Facts and Figures," Accessed December 7, 2012, [http://www.nato.int/cps/en/natolive/topics\\_71652.htm](http://www.nato.int/cps/en/natolive/topics_71652.htm)

25 NATO - Topic: NATO and Libya, "Facts and Figures," Accessed December 7, 2012, [http://www.nato.int/cps/en/natolive/topics\\_71652.htm](http://www.nato.int/cps/en/natolive/topics_71652.htm)

26 U.S. Department of Defense, "Defense New Casualty Report," Accessed December 7, 2012, <http://www.defense.gov/news/casualty.pdf>.

27 Amy Belasco, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11* (Washington, DC: Congressional Research Service, March 29, 2011), Accessed December 7, 2012, <http://www.fas.org/sgp/crs/natsec/RL33110.pdf>

28 Eisenhower Study Group, "The Costs of War Since 2001: Iraq, Afghanistan, and Pakistan" (Research Project, Brown University, Providence, RI, June 2011), Accessed December 7, 2012, <http://costsofwar.org/sites/default/files/Costs%20of%20War%20Executive%20Summary.pdf>.

received substantial criticism for how the Libyan intervention was handled. Many believe his authorization for military action in Libya was unconstitutional and not within his power, while there has also been wide disagreement as to the multilateral approach that was taken, the justification given for the need to intervene, whether or not the actions amounted to “war,” and if President Obama violated the War Powers Resolution. Members of Congress were Obama’s biggest critics, consistently citing his violation of the separation of powers as well as the War Powers Resolution. The majority of Congress felt that Obama had not only encroached on their power to declare war, but also felt that he had failed to adequately inform both Congress and the public of the reasoning and necessity to intervene.<sup>29</sup> Representative Dennis Kucinich (D-OH) even went as far as to imply that Obama’s administration purposefully created a tension-filled environment in Libya so there would be reason for an intervention.<sup>30</sup> Regardless of the details of the intervention, Congress conclusively agreed that Obama had illegally entered U.S. troops into “war” and that there needed to be repercussions for doing so.

It is not uncommon for the President and Congress to disagree about their roles in foreign policy and they often collide when exercising their war powers. When they do, it is customary to charge one another with having violated a central tenet of American government: the separation of powers. Although this principle is considered the cornerstone of our system and an article of political faith for the Founding Fathers, there are wide differences of opinion as to what the framers of the Constitution meant by it and if it can be expanded beyond the written text.<sup>31</sup> Congress’s enumerated powers are very clearly specified in the Constitution under Article I, section 8, but the same cannot be said of the powers of the president. Article II of the Constitution grants few specific powers to the president and leaves room for broad interpretation. The inherent and implied powers of both Congress and the President are a source of conflict between the branches because they each have distinctly different responsibilities, practices, and traditions.<sup>32</sup> There is extensive literature covering the debate over the separation of powers, with the main arguments either favoring the President or Congress.

Louis Fisher has written countless books and articles reinforcing the constitutional war powers of the legislative branch, while reiterating how the power of war has shifted to the presidency over time and the damage this has done to constitutional values, representative government, and democracy.<sup>33</sup> Fisher and the many other scholars who follow the same school of thought, including John Hart Ely, Harold Hongju Koh, and Louis Henkin, read and interpret the Constitution as the founding fathers wrote it. They base their

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29 U.S. Congress. House. 2011, Committee on Foreign Affairs. *War Powers, United States operations in Libya, and related legislation: Hearing before the Committee on Foreign Affairs*, 112th Cong., 1st sess., May 25, 2011.

30 U.S. Congress, House, 2011, *Question of Personal Privilege*, 112th Cong., March 31, 2011.

31 Louis Fisher, *President and Congress: Power and Policy*. New York: The Free Press, 1972, 1.

32 Louis Fisher, *Constitutional Conflicts Between Congress and the President*, Kansas: University Press of Kansas, 2007, 249.

33 Louis, Fisher, *Presidential War Power*. Kansas: University Press of Kansas, 2004, 1.

pro-Congress arguments on the specific war powers that the Constitution grants Congress and the president--nothing more. Fisher states that the Constitution does not allocate foreign policy to a single branch, but assigns portions to Congress and the president. The framers deliberately dispersed political functions to avoid concentrating too much power in a single branch.<sup>34</sup> And although both branches are representative, Congress is said to be the more representative branch because they answer directly to the people.

Fisher argues that although Article II of the Constitution empowers the President to be Commander in Chief (“The President shall be Commander in Chief of the Army and Navy of the United States, and of the Militia of the several States, when called into the actual Service of the United States”), it must be understood in the context of military responsibilities that the Constitution grants to Congress. Through this interpretation, the president is merely the leader of the armed forces while Congress holds all other power pertaining to the armed forces (raising, maintaining, funding, etc.).<sup>35</sup> Fisher also argues that Article II of the Constitution places the president at the head of the executive branch to provide unity, responsibility, and accountability, but that absolutely does not remove from Congress the power to direct certain executive activities.<sup>36</sup> The very heart of the pro-congress argument is that the Constitution empowers Congress and only Congress to declare war, and any war lacking congressional authorization is illegal, with exception to instances of self-defense. And the argument of course whole-heartedly embraces the War Powers Resolution in its entirety and defends its legality always. What this school of thought does not account for is the evolution and change within the world that has taken place since the constitution was written. The founding fathers could never have predicted the kind of threats the world faces today, and hence parts of the document they wrote cannot be interpreted as if they did.

Fisher wrote an article in 2012 addressing the Libyan intervention and how it relates to the pro-Congress argument. In “*Military Operations in Libya: No War? No Hostilities?*” Fisher denounces President Obama’s claim of legal support from the UN and NATO and argues that institutions and organizations are never a substitute to congressional authorization of war.<sup>37</sup> Fisher also attacks the Obama administration’s interpretation of “war” and “hostilities,” arguing that just because NATO assumed the majority of the military attacks does not remove the U.S. from engaging in hostilities.<sup>38</sup> He even accuses Obama of using “double-talk” when trying to justify the military actions in Libya, in order to distract attention away from his alleged violation of the WPR.<sup>39</sup> In the case of Libya, Fisher obviously stayed true to the pro-Congress argument, but failed to give a correct definition to “hostilities.”

On the opposite side of the separation of powers scale is the Unitary Executive

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34 Louis, Fisher, *The Politics of Shared Power: Congress and the Executive*, College Station: Texas A&M University Press, 1998, 177.

35 Louis, Fisher, *The Politics of Executive Privilege*, North Carolina: Carolina Academic Press, 2004, 231.

36 Fisher, *The Politics of Executive Privilege*, 233.

37 Louis Fisher, “Military Operations in Libya: No war? No Hostilities?,” 176.

38 Louis Fisher, “Military Operations in Libya: No war? No Hostilities?,” 183.

39 Louis Fisher, “Military Operations in Libya: No war? No Hostilities?,” 186.

Theory. The principle architect of this theory is John Yoo, but it has been expanded upon by many other scholars including Henry Monaghan, Steven Calabresi, and Michael Reisman. The Unitary Executive Theory essentially holds that Congress cannot regulate the executive branch, because the executive power is wrapped up in a single person, the president, and the president has to be able to wield the executive power as he sees fit.<sup>40</sup> What this means is that when Congress tries to pass rules and regulations for the executive branch that restrict what the president can do, that is unconstitutional, because that entails Congress getting involved in the executive branch when Congress' powers are to be limited to other things.<sup>41</sup> All of the theories' arguments are based upon the Vesting Clause in Article II of the Constitution which states, "The executive Power [of the United States] shall be vested in a President of the United States of America." Proponents of the Unitary Executive Theory argue that this language, along with Take Care Clause, ("The President shall take care that the laws be faithfully executed, and shall Commission all the Officers of the United States,") creates a "hierarchical, unified executive department under the direct control of the President."<sup>42</sup>

Unitary Executive Theory expands the president's powers in many areas, but the expansion of the war powers is most important. Yoo states that, empowering the president to be Commander in Chief further vests him with all of "the executive power" and the duty to execute the laws.<sup>43</sup> He further argues that, "these provisions have long been recognized to give the president absolute command over the armed forces, to the point of ordering their use in hostilities abroad. Nowhere does the constitutional text provide that the commander-in-chief power cannot be used by the president to wage military hostilities unless Congress first issues a declaration of war."<sup>44</sup> It is also argued that the president possesses inherent power to protect the nation from attack. Advocates of Unitary Executive Theory argue that the president's vital powers should not be second-guessed by persons without diplomatic responsibilities or who lack access to intelligence. In their view, the president's actions in matters of national security should not be subject to a separation of powers analysis.<sup>45</sup> Yoo relies on history to back up these arguments, stating:

Practice demonstrates that the political branches have read the constitutional text to establish a stable, working system of war powers. The President has taken the primary role in deciding when and how to initiate hostilities. Congress has allowed the executive branch to assume the leadership and initiative in war, and instead has assumed the role of approving military actions after the fact by declarations of support and by appropriations.<sup>46</sup>

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40 John C. Yoo, "War and the Constitutional Text," *The University of Chicago Law Review*, 69, no. 4, (2002):1663.

41 John C. Yoo, "War and the Constitutional Text," 1663.

42 Steven Calabresi and Kevin Rhodes, "The Structural Constitution: Unitary Executive, Plural Judiciary," *Harvard Law Review*, 105, no.6 (1992): 1165.

43 John C. Yoo, "War and the Constitutional Text," 1662.

44 John C. Yoo, "War and the Constitutional Text," 1662.

45 Calabresi and Rhodes, "The Structural Constitution", 1166.

46 Harold Hongju Koh, *The National Security Constitution: Sharing Power after the*

Keeping with history, the phrase “declare war” had a fixed meaning in international law; it did not mean to start war, but rather to classify a conflict as a war for legal purposes.<sup>47</sup> Congress can hold the President accountable only by censure, impeachment, or constitutional amendment. Legislation restricting the executive branch has no power, which makes the WPR null and void.<sup>48</sup>

Unitary Executive Theory is controversial and not without its critics. Some have even gone so far as to say that the actual practice of this theory would be a form of fascist dictatorship. The most recent mention of the “unitary executive” was in the George W. Bush presidency, as he functioned much like a CEO with his power restricted only by the U.S. Constitution as interpreted by the Judiciary.<sup>49</sup> This theory has not yet been associated with President Obama, but should be along with every other president since WWII. Under this theory, President Obama’s authorization of military action in Libya was within his power as commander-in-chief, and Congress gave approval by continuing to appropriate funds for the NATO operation. Obama’s alleged violation of the WPR would be irrelevant because, as stated earlier, that legislation would hold no power over presidential actions. The Presidency needs to be thought about in terms of both the powers that are possessed and the functions that are assumed because both are needed to fully understand the true role and powers of the president.

The term *foreign affairs* does not appear in the Constitution and so the powers allocated to deal with such issues are limited, vague, and subject to broad interpretation by both the legislative and executive branches. The role and leadership responsibilities of presidents have increased as a result of national security and economic emergencies throughout the past several generations and because of the United States’ world leadership responsibilities in this era.<sup>50</sup> Congress usually tries to assert itself and serve as a reasonable and responsible check on the exercise of presidential power, as is the case with the WPR. It is sometimes effective and sometimes less effective in this role; and presidents can always expect, at least, suspicion, if not overtly hostile actions, from Congress when initiating war powers.<sup>51</sup>

Because the founders failed to delegate the specific powers concerning foreign affairs, disputes between Congress and the President sometimes have to be settled by the Supreme Court—that is when, and if, they will hear the case. In the 1936 Supreme Court case *United States v. Curtiss-Wright Corp.*<sup>52</sup> a landmark decision was handed down in favor *Iran-Contra Affair*, New Haven: Yale University Press, 1990, 123-133.

47 William Michael Treanor, “Fame, the Founding, and the Power to Declare War,” *Cornell Law Review*, 82 (1997): 698.

48 Calabresi and Rhodes, “The Structural Constitution”, 1166.

49 Bruce Ackerman and Oona Hathaway, “Limited War and the Constitution: Iraq and the crisis of Presidential legality,” *Michigan Law Review* 109, (2011): 449-450.

50 Louis Henkin, *Constitutionalism, Democracy, and Foreign Affairs*, New York: Columbia University Press, 1990, 18-19.

51 Louis Henkin, *Constitutionalism, Democracy, and Foreign Affairs*, 20.

52 *U.S. v. Curtiss-Wright Export Corp.*, 299 U.S. 304 (1936). Curtiss-Wright Export Corp. was indicted for violating the arms embargo through the sale of machine guns to Bolivia, it defended itself on the grounds that the embargo and the proclamation were void because Congress

of executive power over foreign affairs. The case involved principles of both governmental regulation of business and the supremacy of the executive branch of the federal government to conduct foreign affairs.<sup>53</sup> The Court held that the Constitution's text constrains only the domestic activities of the federal government, but does not constrain the activities of the government abroad. The Court argued further that, like any other country, the United States has "external sovereignty" by which it may liberally assert or defend itself on the world stage as a free and independent nation.<sup>54</sup> The federal government thus has unlimited power to conduct foreign affairs on the nation's behalf and that unlimited power lies exclusively with the president.

In the majority opinion, Justice Sutherland quoted former Chief Justice John Marshall stating, "The President is the sole organ of the nation in its external relations, and its sole representative with foreign nations."<sup>55</sup> At its most basic level, the case ruled that the president's foreign powers are open-ended and inherent in his position as the executive authority of a sovereign nation.<sup>56</sup> Despite the controversy surrounding it, the *Curtiss-Wright* decision is one of the Supreme Court's most influential and still stands as good law. Most cases involving conflicts between the executive and legislative branches involve political questions that the courts refuse to adjudicate. Therefore, the sweeping language of *Curtiss-Wright* is regularly cited to support executive branch claims of power to act without congressional authorization in foreign affairs, especially when there is no judicial intervention to interpret the meaning of that text--much like Obama's authorization for military action in Libya.<sup>57</sup> When considering action in Libya within the context of the *Curtiss-Wright* decision, President Obama, as "the sole organ of the nation in its external relations," is not constrained by the Constitution or Congress in the activities he conducts abroad.

Since the *Curtiss-Wright* decision, there have been several cases pertaining to executive authority and the separation of powers in general, but none that overturn *Curtiss-Wright* or that test the executive challenged legality of the WPR. The intention of Congress passing the WPR in 1973 was to protect and reassert its constitutional war powers while seeking to limit the war powers of the president through procedural legislation.<sup>58</sup> The long standing debate about the separation of powers is at the very heart of the WPR. During the Korean and Vietnam wars, the United States found itself involved for many years in situations of intense conflict without a declaration of war. Many members of Congress became concerned with the erosion of congressional authority to decide when the United

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had improperly delegated legislative power to the executive branch by leaving what was essentially a legislative determination to the President's "unfettered discretion." The Court was asked to decide whether Congress had delegated too broadly when it empowered the President to declare an arms embargo in South America. The statute allowed the President to impose an arms embargo whenever he found that it "may contribute to the reestablishment of peace" between belligerents.

53 Louis Fisher, *Presidential War Power*, 69.

54 Louis Fisher, "The Politics of Shared Power," 179-180.

55 Louis Fisher, "The Politics of Shared Power," 179.

56 Louis Henkin, *Constitutionalism, Democracy, and Foreign Affairs*, 74.

57 Louis Fisher, "Presidential War Power," 72-73.

58 Jentleson, *American Foreign Policy*, 157.

States should become involved in a war or the use of armed forces that might lead to war.<sup>59</sup> The WPR was created to spell out the dividing line between the constitutional power of Congress to declare war and the constitutional power of the President as Commander in chief. One of the main objectives of the law was that it would represent a compact between the two branches for making the Constitution work in the gray area of shared war powers, but that proved to be impractical when President Nixon vetoed the law based on grounds of unconstitutionality and his veto was overridden.<sup>60</sup>

Every president, since the WPR was passed, has regarded the law as an unconstitutional infringement on their presidential powers as commander in chief.<sup>61</sup> Although the legislation is short, it is in essence a procedure for the president to follow when engaging the armed forces into “hostilities,” but it is plagued with ambiguity in its legal and legislative language. Congress charged President Obama with violating more than one section of the WPR when he authorized military action in Libya in 2011, which is simply untrue.

The WPR lays out the following procedure for the president to follow when authorizing military action. Section 2(c) attempts to define the President’s constitutional power as Commander in Chief to introduce U.S. forces into hostilities or “into situations where imminent involvement in hostilities is clearly indicated by the circumstances.”<sup>62</sup> The President may introduce troops only pursuant to (1) a declaration of war, (2) specific statutory authorization, or (3) a national emergency created by attack upon the United States, its territories, or its armed forces.<sup>63</sup> Section 3 lays out the consultation requirements the President must abide by, stating that the President “in every possible instance shall consult with Congress” before introducing armed forces into hostilities, and shall “consult regularly with Congress” until armed forces are no longer engaged in hostilities or have been removed from the situation.<sup>64</sup> Section 4(a) governs reports that the President must submit to Congress within 48 hours of U.S. troops being introduced (1) into hostilities or situations where imminent involvement in hostilities is clearly indicated by the circumstances, (2) into the territory, airspace or waters of a foreign nation, while equipped for combat, except for deployments which relate solely to supply, replacement, repair, or training of such forces, or (3) in numbers which substantially enlarge United States Armed Forces equipped for combat already located in a foreign nation. The report should include the necessity for the use of armed forces, the constitutional and legislative authority used to introduce troops, and the estimated scope and duration of the involvement.<sup>65</sup> Section 5(b) is the most contested part of the WPR. It states that the filing of the report required in section 4(a) starts a 60-day clock and the President is to remove all armed forces from hostilities within those 60 days. The following circumstances allow for an extension of the

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59 Jentleson, *American Foreign Policy*, 158.

60 Pat M. Holt, “The War Powers Resolution: The Role of Congress in U.S. Armed Intervention,” *American Enterprise Institute for Public Policy Research*, Washington D.C., (1978): 1-2.

61 Jentleson, *American Foreign Policy*, 185.

62 Louis Fisher, “Presidential War Power,” 149.

63 War Powers Resolution of 1973, H. J. Res. 542, 93rd Cong. (1973), Section 2(c).

64 War Powers Resolution (1973), Section 3.

65 War Powers Resolution (1973), Section 4(a).

clock; (1) Congress declares war or authorizes specific use for such forces, (2) Congress extends the 60 day period by law, or (3) if there is an unavoidable military necessity that requires the continued use of armed forces, the clock may be extended for 30 more days.<sup>66</sup>

The intervention in Libya was similar in scope and duration to many other military operations the U.S. has engaged in over the last three decades, many of which had also lacked congressional authorization and were said to have violated the WPR. Congress has accused President Obama of being in violation of sections 2(c), 3, and 5(b).<sup>67</sup> The failings of the WPR have been very apparent since its existence, but are even more so in the context of the Libyan intervention in 2011. The first and most fundamental problem with the WPR is in section 2(a) within the law's statement of purpose.<sup>68</sup> It states that the law is to apply to situations in which "imminent involvement in hostilities is clearly indicated."<sup>69</sup> Yet there is no clear definition in the law of what level of action is necessary to be considered actual hostilities. Thus Congress has no definitive basis for challenging the Obama administration's claim that the multilateral military operation in Libya was below the threshold of "hostilities," and thus did not fall under the limitations of the WPR. President Obama's administration is not the first to expose this issue. President Reagan brought the same claim in 1988 when defending military operations in the Persian Gulf, which had a longer duration and far more casualties than in Libya.<sup>70</sup>

According to Bruce Jentleson, one of the problems inherent in the WPR that history and the case in Libya has made more apparent is that it "runs against institutionally rooted attitudes in both branches."<sup>71</sup> Presidential opposition to the WPR has been almost an institutionally instinctual response.<sup>72</sup> Section 2(a) is the most presidentially contested part of the WPR, as it is seen as an infringement on the role of the commander in chief and other aspects of the presidency's constitutional share of war powers. Congress stated that Obama's violation of section 2(a) was due to his authorization of military action in Libya without satisfying any of the three requirements listed within the section. Section 2(a) is inconsistent with section 8(d) stating, "nothing in this joint resolution is intended to alter the constitutional authority of the Congress or of the President, or the provisions of existing treaties."<sup>73</sup> Congress expressly limited the President's constitutional executive power as Commander in Chief of the U.S. Armed Forces.<sup>74</sup> Congress has several different options to manipulate in order to stop military action that they are not in support of and do not authorize. Quite simply, Congress could have passed blanket legislation unauthorizing any actions in Libya, cut off funding, or condition the funding. None of these measures

66 War Powers Resolution (1973), Section 5(b).

67 Jordan J. Paust, "Constitutionality of U.S. Participation in the United Nations-authorized war in Libya." *Emory International Law Review* 26, (2012): 43-45.

68 Jentleson, *American Foreign Policy*, 185.

69 War Powers Resolution (1973), Section 2(a).

70 Jentleson, *American Foreign Policy*, 185.

71 Jentleson, *American Foreign Policy*, 186.

72 Louis Fisher, "Presidential War Power," 148.

73 War Powers Resolution (1973), Section 8(d).

74 Jason R. Struble and Richard A.C. Alton, "The Legacy of Operation Allied Force: A Reflection on its legality under United States and International Law." *Michigan State International Law Review* 20, no.2 (2012): 306.

were taken to cause immediate withdrawal from Libya, and therefore they cannot claim the military action was illegal. To stress again the significance in the lack of a definition for “hostilities” within the law, President Obama cannot be in violation of this provision without a proper definition because the requirements only apply to situations “where imminent involvement in hostilities is clearly indicated.”

Ambiguity is also inherent in Section 3 of the WPR and its provision for consultation with Congress “in every possible instance before introducing U.S. armed forces into hostilities...”<sup>75</sup> When is consultation “possible”? Using such language in the requirement leaves this provision open for broad interpretation. Congress claimed that President Obama did not consult with them before committing armed forces and did not stay in consistent consultation while troops were in use.<sup>76</sup> The lack of a definition for “hostilities” is important again in this provision. Without a clear definition, how would a president know to consult with Congress if he understood the military involvement to be less than hostilities? The U.S. was only in leadership of the operation in Libya for twelve days, after which NATO assumed sole control. The U.S. had limited involvement due to the multilateral nature of the operations. Out of courtesy, President Obama did in fact stay in consistent consultation with Congress through the duration of the intervention, but due to the ambiguity in the law, his consultation was apparently not consistent with Congress’s view of “every possible instance.” In the June 3rd Congressional meeting considering House Resolution 294 to remove U.S. armed forces from Libya, Representative Norman Dicks stated,

The President stated clearly that our leadership of the NATO effort would last a matter of days, not weeks. While the direct U.S. leadership of this effort lasted a brief time, U.S. forces remain engaged in the NATO operation; and at this point, it is clear that Members of Congress are not *comfortable* with the extent of information they have been given. Under the War Powers act, the President has an obligation to report to Congress and to seek concurrence if our military involvement extends longer than 60 days, and clearly such consultation has not been *effectively* accomplished.<sup>77</sup>

Congress claimed President Obama’s biggest violation was in regards to section 5(b) and his non-removal of troops after 60 days of military involvement.<sup>78</sup> Congressional control on this matter is weakened by awkward language that fails to start the 60-to-90-day clock. The way it is written allows the president to extend the deadline by an additional 30 days if he determines that an extension is necessary. The 60-day clock only starts if the president reports under the very specific guidelines within section 4(a)(1). Almost all of the previous presidents, and Obama, report more generally as being “consistent with the WPR.”<sup>79</sup> Because the reporting can be done this way, there is often discrepancies

75 Jentleson, *American Foreign Policy*, 185.

76 U.S. Congress, House, 2011, *Libya War Powers Resolution*, 112th Cong., June 3, 2011.

77 U.S. Congress, House, 2011, *Libya War Powers Resolution*, 112th Cong., June 3, 2011.

78 U.S. Congress, House, 2011, *Libya War Powers Resolution*, 112th Cong., June 3, 2011.

79 Louis Fisher, “Presidential War Power,” 150.

between the two branches as to when and if the clock started. In the same congressional meeting stated above, there were many members who did not feel comfortable with passing legislation to immediately remove all armed forces from Libya at the expiration of their version of the 60 day clock, and also members who approved of Obama's decision to continue military action. For example, Representative Ileana Ros-Lehtinen stated,

The sudden U.S. withdraw from Libyan operations could do irreparable harm to the NATO alliance, and ultimately undermine support for NATO efforts in Afghanistan. Providing Qaddafi free rein by forcing the U.S. to rapidly withdraw from the NATO operation would pose an even more virulent threat to such other allies in the region as Israel. An emboldened Qaddafi would be in a position to provide both destabilizing types and amounts of conventional weapons, as well as unconventional capabilities through new and existing smuggling routes to violent extremists.<sup>80</sup>

Representative Van Hollen also showed support for President Obama's decision, stating,

The President fulfilled his pledge to greatly redefine the role of American forces and they now play a on-combat, supporting role comprised of intelligence gathering, logistics, surveillance and search and rescue. Given the conversion of special factors in Libya, I believe the president's decision has been justified.<sup>81</sup>

Congress did not pass any legislation to stop military action in Libya, thus affirming President Obama's decision to continue support. And again, the clock and this provision are only relevant if the military action in question constitutes "hostilities," which, from the executive's perspective in the case of Libya, they did not. As such, Obama did not need approval from Congress.

The WPR has long been ignored and challenged by presidents, and Congress has been left with few options to enforce the law. Since 1973, Congress has filed three lawsuits against presidents and the courts have refused to rule and dismissed them all.<sup>82</sup> Congress has attempted to amend the WPR in the past in hopes of making the law more concrete and less ambiguous, but none have been successful, so the law continues to function as a wedge between the two branches and only adds fuel to the separation of powers fire.

The Libyan intervention truly is a new and improved outcome of U.S. foreign policy. The military action lasted a matter of months—as opposed to years or decades—and there was not a single U.S. casualty. The United States, for once, funded less than its allies, and from start to finish the operation was truly multilateral. There has always been much debate about which branch possesses certain war powers and that is unlikely to change any time soon. The WPR has proved to be ineffective in its original purpose and is now used as a political tool by Congress. The ambiguity of the WPR relieves the law of any legal standing and it can no longer be used by Congress to attempt to limit the

80 U.S. Congress, House, 2011, *Libya War Powers Resolution*, 112th Cong., June 3, 2011.

81 U.S. Congress, House, 2011, *Libya War Powers Resolution*, 112th Cong., June 3, 2011.

82 Jentleson, *American Foreign Policy*, 186.

President's power. In authorizing military action in Libya, President Obama acted within his power as Commander in Chief and did not violate the WPR. Because Congress has not offered a definitive answer as to what actions amount to "hostilities," any claims that Libya was a war can be refuted. Military action with UN authorization and within NATO created a more ideal policy for handling the kind of crisis seen in Libya and should be given more thought by Congress.

# **North Atlantic Treaty Organization (NATO)** **Enlargement:** **An Overview and Analysis**

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Within the United States' national security apparatus, the North Atlantic Treaty Organization (NATO) is regarded as "the most important [multilateral] institution it works with, its Premier alliance."<sup>1</sup> While NATO's existence is inveterate and established it has also been open to change, reform and modification. NATO has "transformed dramatically from a Cold War alliance focused on deterrence and preparing for defensive Europe against the Soviet Union, to a much larger, outward looking alliance - one that is engaged in civil-military operations, aimed at tackling a new range of security threats, together with many partners, in places around the globe"<sup>2</sup>

The principal catalyst for the transformation of NATO has been its enlargement and expansion efforts over the past 60 years. This piece will provide an in-depth observation into the implications that past and future NATO enlargement have had and will have on the United States' national security policy, as well as on the global arena. This will be provided in four sections.

- I. A description of NATO: its history, its salient provisions in relation to enlargement efforts, its successive enlargements and its current makeup.
- II. An explanation of the main issues regarding NATO enlargement, chiefly its benefits as an ameliorating force in the Western Hemisphere, as well as its detriments as a costly entity which is provocative toward Russia in the national security context.
- III. An analysis of the main issues determining whether the benefits of NATO enlargement outweigh the apparent negative issues and whether the negative issues actually exist.
- IV. Recommendations as to what should happen regarding NATO enlargement moving forward.

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1 Renee De Nevers, "NATO's International Security Role in the Terrorist Era." *International Security* 31.4 (2007), 36.

2 Kurt Volker, *NATO Issues*. Proc. of Committee on Senate Foreign Relations, U.S. Senate, Washington, D.C. 2009, 1.

## Description

To grasp an understanding of NATO and the implications of its enlargement efforts, it is imperative to know a brief history of the institution and how it is becoming the institution it is today. Principally, it is important to gain an understanding of how “NATO provided a foundation for freedom’s victory in the Cold War,” and how it “is now evolving into its 21<sup>st</sup> century role: defending the transatlantic community against two threats and meeting challenges to our security and values that are often global in scope.”<sup>3</sup>

NATO, in its purest sense, is a product of the Cold War. The formation of NATO truly had its beginnings with the Treaty of Brussels, which was signed on March 17, 1948, by Belgium, the Netherlands, Luxembourg, France and the United Kingdom and which eventually led to the creation of the Western European Union’s defense organization.<sup>4</sup> The military presence and clout of the Soviet Union was widely palpable and too vast for the current organization to hand. This climate necessitated involvement of the United States military power and, thus, necessitated talks between the United States and the organization. The result of the talks was the creation of the North Atlantic Treaty, which was signed in Washington, D. C. in 1949.

The new treaty “included the five Treaty of Brussels states, as well as the United States, Canada, Portugal, Italy, Norway, Denmark and Iceland.”<sup>5</sup> President Harry S. Truman, the United States president at the time the North Atlantic Treaty was signed, explained that “by this Treaty, [the U.S. was] not only seeking to establish freedom from aggression and from the use of force in the North Atlantic community, but [was] also actively striving to promote and preserve peace throughout the world.” The new founded North Atlantic Treaty Organization acted as an opposing military presence against the Soviet Union and was used to contain any further expansion of communism and totalitarianism. Furthermore, the treaty “limited the organization’s scope [and membership] to the regions above the Tropic of Cancer,” truly making it a north Atlantic treaty organization.<sup>6</sup>

The next accession occurred in 1952 with Greece and Turkey joining the Alliance. Then, the year 1955 brought about the incorporation of West Germany and its extensive manpower to the organization. The accession of West Germany caused major controversy with the Soviet Union, which in turn led to the creation of the Warsaw Pact later in 1955. The Warsaw Pact included: the Soviet Union, Hungary, Czechoslovakia, Poland, Bulgaria, Romania, Albania and East Germany. The event created a direct and the antithetical opposition between NATO and the Warsaw Pact members, perpetuating the Cold War struggle between the United

3 Daniel Fried, “NATO: Enlargement and Effectiveness.” *DISAM Journal* (2008). 75.

4 *North Atlantic Treaty Organization*. NATO. Web. 5 Apr. 2011. <NATO.int>.

5 NATO.int.

6 NATO.int.

States and Western Europe, and the Soviet Union.

NATO's "mission was simple: the defense of its members," and "NATO was superbly prepared to face the Soviet Army across the Fulda Gap, but never [had to] fire a shot."<sup>7</sup> NATO contained the Soviet Union effectively and did not allow the country and its ideas to permeate further into Western Europe. The next accession did not occur until 1982, with the acceptance of Spain.

The Cold War seemed headed toward a close by 1989 and eventually ended with the 1991 collapse of the Soviet Union. The reason NATO banded together—to contain and fight against the Soviet Union and totalitarianism—had now evaporated with the dissolution of the Warsaw Pact. Where was NATO expected to go from there? Kurt Volker answered this question, believing "after defeating fascism and expansionist Soviet communism, the transatlantic community established NATO out of recognition that the universal human values that underpin our societies - freedom, market economy, democracy, human rights and the rule of law - remained under threat and had to be actively defended."<sup>8</sup>

A paradigm shift ensued with the end of the Cold War. Much like America had shifted its policy from this "fault line," as Donald Snow had coined, to a globalization and humanitarian-based effort, NATO found itself redefining its mission. Essentially, "when the Cold War ended in 1989-1991, the military *raison d'être* of NATO largely disappeared, whereas the organization's political functions (as a grouping of democratic states) still seemed relevant, especially if NATO sought to take in some of the new democracies in Europe."<sup>9</sup> Indeed, NATO did just that.

Much to the chagrin of Russia and its officials in 1999, NATO extended offers of membership to the Czech Republic, Hungary and Poland, all former Warsaw Pact members. Each country subsequently accepted and acceded. The twenty-eight member state makeup of NATO rounded out with the accession of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia in 2004, followed by the accession of Albania and Croatia in 2009. Even the 2008 summit "promised future invitations to the Republic of Macedonia, Georgia and Ukraine," making a possible future total of thirty-one member states.<sup>10</sup>

The next question to posit is how did current member states that weren't among the original entrants come to accede to NATO? General stipulations for membership are made under the North Atlantic Treaty's Article X provision, which states "the Parties may by unanimous agreement, invite any other European State in a position to further the principles of this treaty and to contribute to the security of the North Atlantic Area to accede to this treaty." In addition, aside from "the

7 Fried, 75.

8 Volker, 2.

9 Mark Kramer. "NATO, the Baltic States and Russia: A Framework for Sustainable Enlargement." *International Affairs (Royal Institute of International Affairs 1944-)* 78.1 (2002), 736.

10 NATO.int.

general stipulation that all countries entering NATO must adhere to democratic principles and procedures, and must resolve any outstanding border disputes with their neighbors,” other qualifications and standards have been set to ease the countries’ transition into the organization, while also being thorough for the sake of the organization security and legitimacy.<sup>11</sup> This began NATO’s “open-door policy,” a term coined by NATO itself. Membership from European countries was and still is open to those states that wish to join, but certain standards and procedures need to be met prior to doing so.

The advent of the Partnership for Peace Program in 1994 was, and still is, used as “an organization intended to help former communist states develop professional militaries under firm democratic control and to prepare themselves in other ways for possible membership in NATO.”<sup>12</sup> This was the first step in providing uniform instruction to countries wishing to join NATO, but only militarily. In 1999 NATO created the Membership Action Plan (MAP), which made countries who wished to join “provide yearly progress reports [Annual National Programs] on their successes (or lack thereof) in meeting stringent political and military criteria” and, more specifically, their economic, security and legal aspects as well.<sup>13</sup> The MAP is very exhaustive, and is seen as the last step needed to be performed by countries before they are considered for accession.

Finally, in 2002, the Individual Partnership Action Plan (IPAP) and the Intensified Dialogue criteria were added. The IPAP is “designed to bring together all the various cooperation mechanisms through which a partner country interacts with the Alliance, sharpening the focus of activity to better support [an aspirant country’s] domestic reform efforts.”<sup>14</sup> Furthermore, NATO provides “focused, country-specific advice and reform objectives” that leads to Intensified Dialogue, which is right before a MAP is granted.<sup>15</sup>

Furthermore, a majority of NATO’s current policies, objectives and efforts have been focused on the global war on terrorism (GWOT). Since the attacks on September 11th, 2001, NATO has taken major roles in Afghanistan with its International Stabilization Assistance Forces (ISAF) and with invoking its Article V “collective defense” provision for the first time in its history. Article V slates:

The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all and consequently agree that, if such an armed attack occurs, each of them...will assist the Party or Parties so attacked by taking

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11 Kramer “Baltic States,” 736.

12 Kramer “Baltic States,” 736.

13 Kramer “Baltic States,” 737.

14 Rachel A. Epstein, “NATO Enlargement and the Spread of Democracy: Evidence and Expectations.” *Security Studies* 14.1 (2005), 68.

15 NATO.int.

forthwith, individually and in concert with the other parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic Area.

The possible invocation of Article V in past security events, and the actual use of it in the current international security context, contains widely felt implications in the debates on past NATO enlargements and future NATO enlargements in terms of financial costs and burden sharing, which will be discussed in a subsequent section.

With a basic understanding of what NATO is, what it stands for, how it came to be what it is today, and the necessary steps for accession, we are left with two questions. First, why is NATO's enlargement debated? Additionally, should NATO "have remained fixed in its Cold War era membership and should it have remained in its Cold War activities?"<sup>16</sup> These questions lead to the main issues of this topic.

### Explanation

The enlargement of NATO over the past sixty years has been viewed in a positive light by the United States and other member countries, with some believing "enlargement contribute[s] to the process of integration that helped stabilize Europe over the past [sixty years] and promote the development of strong new allies in the war on terrorism."<sup>17</sup> But even with this sentiment, "different perspectives are rooted in varying assumptions about: the price the United States [and other major current members] should be willing to pay to defend its interests and promote its values internationally, the process of European integration [militarily and politically], and the future of Russia."<sup>18</sup> Stanley Sloan had succinctly enumerated the main negative issues found with the expansion of NATO in 1995; yet, eleven years later, these issues are still debated. Sloan purports "many Americans believe that transforming NATO into a security instrument [by enlargement] will only perpetuate global U.S. security burdens," essentially stating: the larger the organization is, the harder it will be to handle.<sup>19</sup>

In the context of the Russia issue, many critics argue "NATO enlargement would damage the West's relations with Russia, empower nationalist elements within the Russian political scene, undermine the integrity of the Alliance, and ultimately prove irrelevant to democratization in Central and Eastern Europe."<sup>20</sup> The Cold War tensions between Russia and the West are still felt today, although they are somewhat muted. Moscow's envoy to NATO, Dmitry Rogozin, has even

16 Fried, 75.

17 Phillip Gordon and James Steinberg, "NATO Enlargement: Moving Forward." *Brookings Institute Review* 90 (2001), I.

18 Stanley R. Sloan, "U.S. Perspectives on NATO's Future." *International Affairs (Royal Institute of International Affairs 1944-)* 71.2 (1995), 218.

19 Sloan, 218.

20 Epstein, 64.

stated “[Russia] does not consider it necessary to make any concessions in terms of [its] sovereignty [in regards to NATO enlargement] and [it] is capable of solving all the threats in an independent way.”<sup>21</sup> Moreover, Mr. Rogozin notes “what [Russia] is ready for is to create some temporary coalitions, but at the moment [it] is not happy about many things happening in NATO.”<sup>22</sup> This statement was made in 2009, almost eighteen years after the end of the Soviet Union and the Warsaw Pact contentions with NATO, and almost nine years since the first expansion of NATO acceding former Soviet Union countries.

Mr. Rogozin’s attitudes perhaps stem from Russia’s “claim that the entry of former Warsaw Pact countries into NATO would violate a solemn ‘pledge’ made by the governments of West Germany and the U.S. in 1990 not to bring any former communist states into the Alliance,” and “believing the U.S. pledged never to expand NATO eastward if Moscow would agree to the unification of Germany.”<sup>23</sup> Although this claim has not been completely substantiated, it portrays the general distrust and suspicion Russia harbors for NATO and its enlargement efforts. Additionally, the habitual eastward movement of NATO is seen as a violation of Russia’s respect, sovereignty and sanctity in many respects.

The relationship between Russia and NATO was strained even before post-Cold War enlargement attempts. This was evidenced by “the circumstances surrounding Russia’s delayed entry in the Partnership for Peace program in 1994, contradictory interpretations of the significance of the 1997 NATO-Russia Founding Act, and Russia’s condemnation of NATO enlargement...“all of which”...created an atmosphere of increasing suspicion and distance...” between the two entities.<sup>24</sup> The ties between NATO and Russia were, understandably, strained even before attempts at post-Cold War enlargement were made, and for obvious reasons.

The two sides were in opposition for close to half a century. Some believe NATO’s eastward efforts “should be considered not just as an unfriendly step, but they should be [and were] considered preparations to aggression.”<sup>25</sup> The main issue involving the contention of the two entities lies with the intentions and interpretations of the enlargements. While NATO believes the enlargements will bring about stability and security for all of Europe, including Russia, and increased dialogue with Russia, many opponents believe the expansions are “intentional

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21 Valelilina Pop, “Russia Does Not Rule out Future NATO Membership.” *EUobserver*. 1 Apr. 2009. Web. 5 Apr. 2011. <<http://euobserver.com/9n7890>>.

22 Pop, EUObserver.com

23 Mark Kramer, “The Myth of a No-NATO-Enlargement Pledge to Russia.” *The Washington Quarterly* 32.2 (2009), 39.

24 Stuart Croft, Jolyon Howorth, Terry Terriff, and Mark Webber, “NATO’s Triple Challenge.” *International Affairs (Royal Institute of International Affairs 1944-)* 76.3 (2000), 497.

25 Konstantin Khudoley and Dmitri Lanko, “Russia, NATO Enlargement and the Baltic States.” *Baltic Defence Review* 1.11 (2004), 120.

moves to antagonize Russia, exacerbating its lingering distrust of the West and strengthening anti-western elements in the Russian political system.”<sup>26</sup>

As NATO’s apparatus becomes larger and more expansive, it may come at the cost of alienating Russia and, thus, creating an even more strained security environment. Moreover, “although expanding the security community enlarges the zone of peace and mutual trust, it may generate fear among those still on the outside,” principally Russia.<sup>27</sup> To ameliorate these differences, it is thought that the issue that must be rectified is Russia’s “apparent lack of coherence ... Russia strongly condemned NATO’s military operation [for example in Kosovo]...but in June 1999 Moscow endorsed the NATO-promoted logic of resolving the crisis in Kosovo.”<sup>28</sup> The apparent ambivalence of Russia’s stance on NATO must be resolved for reduced tensions.

Russia’s malcontent with NATO’s enlargement efforts eastward also stems from its view that “the former Soviet republics lie within its sphere of influence, in which Western countries and institutions should play little role,”<sup>29</sup> The issue NATO faces with Russia is to conduct the expansion in such a way that a form of “Neo-Cold War” does not evolve between the two entities. Russia’s power and economy has relatively risen in the past few years. With the favorable conditions increasing in Russia coupled with Mr. Rozogin’s previous hegemonic remarks. NATO needs to be careful in its expansion eastward. For example, it has been speculated that, with a possible invitation to Ukraine for NATO membership in the near future, “Russia could encourage pro-Russian groups to intensify anti-NATO campaigns and stir up conflict by pushing for use of Russian as an official language in eastern and southern Ukraine.”<sup>30</sup> The idea that Russia could intentionally bring about conflict and instability to Europe is troubling, and is an important issue which NATO must account for in its enlargement efforts.

The next salient issue related to NATO enlargement is purported to be the cost of expansion in terms of economics, military and political efficacy, Specifically, some issues involving Article V collective defense and the Article X process of accession are discussed. Opponents of NATO enlargement believe Article V collective defense will become diluted and efficacy will decrease with more members, while other opponents believe Article X’s idea of consensus for making decisions while still offering accession to new members will be severely compromised. Moreover, it is believed “the addition of more members to NATO

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26 Andrew Kydd, “Trust Building, Trust Breaking: The Dilemma or NATO Enlargement.” *International Organization* 55.4 (200 I). 802.

27 Kydd, 802.

28 Vladimir Baranovsky, *NATO Enlargement: Russia’s Attitudes*. Proc. of IISS/CEPS European Security Forum, Brussels. 2001, 3.

29 Paul Gallis, “Enlargement Issues at NATO’s Bucharest Summit.” *Congressional Research Service* (2008), 24.

30 Gallis, 24.

that are not also members of the European Union [EU] could exacerbate the current dilemmas unless these are resolved before the new members take their seats at the Alliance's decision-making tables."<sup>31</sup>

In terms of financial cost, in 1999 "analysts estimated the cost of adding new members at as low as \$1.5 billion, but also between \$ 10 billion and \$125 billion, depending upon different threat scenarios and accounting techniques."<sup>32</sup> This range is an expansive one, but one that still clearly depicts expansion as a major investment of money and resources that is incurred by current members to incorporate a new member. This financial burden is obviously shared, but some "worry that the U.S. [along with some of the other powerful European countries] might be left to shoulder a large share of the expenditures; they question whether existing burden-sharing arrangements should continue; and suggest that more European allies should be encouraged to assume a larger financial share for security of the continent."<sup>33</sup>

This debate over burden-sharing and the allocation of resources from current member countries to help train the new members militarily and diplomatically, and to operationalize the members with up-to-date security and equipment capabilities can cause a rift between existing members and jeopardize the solidarity that has been forged. If this breach of solidarity were the case, then conflicts between the United States and other various members could ensue and cause various security issues and strains on relationships. Even so, these opponents of NATO enlargement value isolationism in terms of domestic improvement and fiscal focus more than internationalist outreach and spending.

The other costs of enlargement are not monetary in nature, but rather drawbacks in military and political capabilities. The ramifications of adding new members may be witnessed in the organization's consensus provision of Article X:

The alliance principle of consensus means that its decision making process is cumbersome, and this awkwardness has become more evident as NATO has taken [on even more members and] even more tasks, up to and including the deployment of crisis response operations that have encompassed the use of force. Probably the most prominent example is provided by the problems of decision-making during the Kosovo military campaign (Terriff, Croft, Krahnann, Webber and Howorth 719).

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31 Terry Terriff, Stuart Croft, Elke Krahnann, Mark Webber, and Joylon Howorth. "One In, All in? NATO's Next Enlargement." *International Affairs (Royal Institute of International Affairs 1944-)* 78.4 (2002), 719.

32 Gallis, 19.

33 Gallis, 19.

By adding new members to an already onerous process of unanimous consent and approval, a voting standard far above that required of democratic political institutions, the enlargement dilutes the ability of the organization to make efficient decisions with reasonable efficacy when the time and situation warrants.

The other issue stems from the military problem of having a “gap between the military capabilities of current member states and those of prospective members, and what this implies for integrating the new members’ militaries.”<sup>34</sup> Those who subscribe to the “capability-gap” argument believe the time, effort, and resources that must be afforded for training the new members’ militaries is not worth the potential security and stability the new militaries may bring to NATO. Further, the “critical issue of interoperability, the capability of all forces to work alongside other Alliance armies,” is jeopardized even further when adding more varying opinions, protocols and capabilities.<sup>35</sup>

As evidenced by Hungary, Poland and the Czech Republic, meeting NATO’s standards “has proved problematic, as their equipment, training standards and doctrine, and even language skills, all [fell] short of what is required for effective integration” at the time of accession.<sup>36</sup> Indeed, “it is not clear what new allies will contribute toward the common defense and deterrence.”<sup>37</sup> Bringing new allies’ militaries up to western levels is the “primary expense in enlargement.”<sup>38</sup> These pitfalls and shortcomings of new member militaries has said to create a non-cohesive “two-tier military structure within NATO, with one tier composed of the standardized military forces that are well trained, professional, deployable, interoperable and better equipped; and the other composed of the non-standardized militaries that are conscript-based, immobile, top-heavy, poorly equipped and less effective.”<sup>39</sup> That trend would seem to continue with the acquisition of many smaller, former Soviet-Union republics that do not present robust economies or militaries.

Despite the aforementioned issues regarding Russia and subsequent security concerns, and the financial, military and political costs NATO enlargement may incur, there are some major reasons as to why there are proponents for NATO enlargement and why the organization has continued to enlarge. Proponents of NATO enlargement cite various reasons as to why the process is truly a beneficial one, but the one form of logic that is most prominent is that enlargement is a tool of stabilization and unification that promotes strong multilateral action in the global arena. In a more American-focused security sense, the expansion of NATO is

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34 Alan M. Stull, “A Strong NATO Is Essential to the United States National Security Strategy.” *U.S. Army War College Strategy Research* (2005), 22.

35 Terriff, Croft, Krahnemann, Webber and Howorth. 720.

36 Terriff, Croft, Krahnemann, Webber and Howorth. 720.

37 Kydd, 804.

38 Kydd, 804.

39 Terriff, Croft, Krahnemann, Webber and Howorth. 720.

seen as a necessary tool in the GWOT. In fact, “NATO sanctioned operations are looked at in more legitimate terms than U.S. unilateral operations ... Because the hegemonic U.S. is often perceived as the big bully, NATO gives it a different face and significant international recognition.”<sup>40</sup> By expanding an already multilateral apparatus, the scope and breadth of security policy becomes enriched in a positive context. More input, agreement and cohesion from other states may mean better policy that reflects more holistic approaches to countering certain security issues, principally terrorism.

Enlargement is seen as a stabilizing factor, helping to “build a Europe that is whole, free and at peace.”<sup>41</sup> What is more, NATO is reviewed as “an indispensable instrument of this noble objective, and NATO is becoming a multilateral instrument of transatlantic security for the 21<sup>st</sup> century,” with the addition of more members.<sup>42</sup> With the enlargement of NATO, its members’ firm commitments to democracy and values of economic and political freedom and stability “have been an affirmation of [the U.S.’s and existing members’] values as well as an instrument of diplomacy, leadership and defense against threats both military and ideological.”<sup>43</sup> Finally, it is viewed that existing members “should welcome all those European democracies whose political stability, military contributions, and commitment to NATO solidarity, would [serve as] assets to the Alliance.”<sup>44</sup>

## Analysis

Although “there have always been persuasive reasons in favor of limited enlargement; reasons linked to calculation of cost, political expediency, the danger of diluting NATO’s military effectiveness and credibility,” and the threat of a revived Russian opposition, NATO enlargement has been and is necessary, and its benefits outweigh the past and potential issues outlined in the previous section.<sup>45</sup> In essence, the issues raised are myopic in nature, failing to take a long-view approach for security.

Despite the concerns previously listed concerning NATO enlargement, “most existing research maintains that NATO enlargement has been a positive force for change; aspiring member states respond to requests from the Alliance to reform, both militarily and politically...” and moreover, “concludes that NATO’s ‘open door policy’ has been a success by contributing to greater European stability and democracy.”<sup>46</sup> Additionally, the “fault line” of the September 11<sup>th</sup> attacks has

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40 Stull, 4.

41 Fried, 82.

42 Fried, 82.

43 Sloan, 220.

44 Gordon and Steinberg, 1.

45 Croft, Howorth, Terriff and Webber, 501.

46 Nathan M. Polak, Ryan C. Hendrickson, and Nathan G. D. Garrett, “NATO Membership for Albania and Croatia: Military Modernization, Geo-Strategic

essentially necessitated NATO enlargement and has placed the negative issues regarding such expansion out of the purview of many opponents.

Although in the previous section it was shown that the expansion of NATO eastward in Europe has created tensions with Russia and possible security threats for the organization, the trend of late has been almost the polar opposite, somewhat negating the issue. The terrorist attacks of September 11th, 2001 shifted Russia's opposition against NATO enlargement to the back of its agenda and moved creating a unified coalition against transnational terrorism to the forefront. In addition to this shift in policy, it had been noted "well before the events of 9/11, there were signs that Russian leaders had come to believe that, [for example], the Baltic states would be admitted into NATO and had therefore concluded...that Russia would be wise to avoid expending too much political capital on a futile quest to prevent that outcome."<sup>47</sup>

The antithetical sentiments of NATO and Russia still exist, even after the Cold War, in some groups within each organization's apparatus, but the two have somewhat coalesced into a working partnership, making the opposition less palpable. Early signs of progress between the IWO entities started in 1994 with Russia participating in Partnership for Peace, although reluctantly at first; a role in Bosnia; and the creation of the -not fully productive- Permanent Joint Council (PJC), which led to other mediums of discourse later. More contemporary signs of productive development have been witnessed by both sides coming together in 2002 to create the NATO-Russia Council (NRC), which has served as an "official diplomatic tool for handling security issues and joint projects between NATO and Russia, involving consensus building, consultation, joint decisions and joint actions."<sup>48</sup> Furthermore, this includes "fighting terrorism, military cooperation, cooperation on Afghanistan, transportation by Russia of non-military freight in support of NATO's ISAF in Afghanistan and non-proliferation."<sup>49</sup>

More steps for cohesion and stability between NATO and Russia have even been taken as recently as April 15<sup>th</sup>, 2011 with the creation of an updated NRC Action Plan on Terrorism. The Action Plan "reinforces that terrorist acts pose a direct challenge to common security, to shared democratic values and to basic human rights and freedoms," which reasserts the NRC's clear rejection of terrorism in all its manifestations.<sup>50</sup> Having a united front against a common "enemy", the issue of transnational terrorism, has for the most part been able to bridge the gap between the two bodies and their conflicting interests involving NATO enlargement.

Although Russia still has its reservations and suspicions, as any sovereign

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Opportunities and Force Projection." *Journal of Slavic Military Studies* 22 (2009), 503.

47 Kramer "Baltic States," 747.

48 NATO.int.

49 NATO.int.

50 NATO.int.

state might have with NATO expansion possibly weakening its efforts for security, Russia also acknowledges that “differences must be set aside in a fight against a devastating transnational threat such as terrorism.”<sup>51</sup> Russia is also viewing NATO and its enlargements as a repository for growth and stability, noting “NATO represents ... a group of countries with high standards of democracy, liberal values and civil control of the armed forces ... perceiving the Alliance itself as a meaningful forum for shaping political consensus and as an anchor for the new democracies in Europe as they prepare for membership ...”<sup>52</sup> This has led some Russian officials to “introduce a new discourse of Russia coming closer to the Alliance’ in terms of democratic values and techniques of civilian control over the military, rather than ‘NATO coming closer to Russian Borders’, “ with the expansion of NATO and its ever closer proximity to Russia.<sup>53</sup>

The discourse between NATO and Russia in the NRC has proven to be a huge step in improving relations and relieving some tensions involving further expansion by NATO. It is clear the differences and opposition to NATO enlargement are becoming muted with globalization and the need for cooperation in the “wake of an [also] emerging multipolar world with emerging Asian powers.”<sup>54</sup> Each side realizes what could be at stake with the present resurgence of power in China and other Asian markets, thus making opposition to future enlargements less of an issue in relation to those in 1999, 2004 and 2009. This is a very positive step toward sustained Russia-NATO cooperation.

In terms of the United States and other prominent members of NATO, issues with financial costs and burden-sharing cannot be debated regarding NATO expansion. Although NATO countries are supposed to spend a minimum of two percent (2%) of their gross domestic product (GDP) on defense, “only France at 2.6% and the United Kingdom at 2.4% are anywhere close to the 3.3% the U.S. spends on defense.”<sup>55</sup> But, there have been positive trends of late, which are evidence of the financial burden and military and political costs of expansion becoming less of an issue.

In 2009, NATO’s most recent members, Albania and Croatia, both had and still have met substantial standards. It is “first noteworthy that Albania manages to meet NATO’s suggested spending standard of 2% of its GDP on defense,” despite its small defense budget of \$233 million in 2008.<sup>56</sup> Croatia has now met the two percent GDP standard as well. Furthermore, Albania maintains “a 14,295 person military, and since 2006, has simultaneously procured a significant amount of modern military equipment, including naval patrol crafts and helicopters, as well as

51 Khudoley and Lanko, 121.

52 Khudoley and Lanko, 122.

53 Khudoley and Lanko, 122.

54 De Nevers, 49.

55 Stull, 4.

56 Polak, Hendrickson and Garrett, 504.

an advanced radar system.”<sup>57</sup> Croatia boasts an 18,600 person military with similar military equipment as Albania. Both countries also are proving themselves as vital sources in the protection and security of the Adriatic Sea. Moreover, personnel have contributed to “the defensive mission in the Mediterranean in the response to terrorist threats, and [NATO] has adopted strategies ranging from new technology development to consequence management for preventing or mitigating terrorist attacks.”<sup>58</sup>

The dynamic of smaller countries relying upon bigger, more powerful countries to help with financial burdens and military burdens will always remain, but the trend is showing more self-sufficient activity from new members of NATO. This case study conveys that NATO’s most recent enlargement efforts “have worked in the two cases [of Albania and Croatia], in that these countries have implemented significant internal defense reforms, provided enhanced geo-strategic advantages, and have also fostered closer relationships with NATO.”<sup>59</sup> If these two states bear any witness for the direction of where the military and financial capability of NATO members is going, then the issue is evanescent.

In addition, the argument that the enlargement of NATO will lead to inefficiency in political dealings does not really carry any weight. NATO is described as a “political-military alliance that combines the key political function of guiding members’ foreign and security policy and providing a forum for Alliance consultation with the operational function of ensuring that members can train and develop the capabilities to cooperate militarily [and politically].”<sup>60</sup> With that said, the current landscape of combating terrorism has been able to foster a clear-cut consensus among NATO member states on policies against the transnational threat.

The repugnant nature of terrorism necessitates cohesion and solidarity between members of NATO, which would be sure to carry that same cohesion when expanded to new members who will be sharing the same democratic values. This has been substantiated by all the additions in 2004 and 2009 and their subsequent roles in Afghanistan under ISAF. The political inefficacy argument about NATO enlargement has lost clout due to the unifying nature in the paradigm shift to anti-terrorism and counter-terrorism efforts.

Finally, the goals of NATO enlargement outlined by NATO and its proponents are, necessarily, coming to fruition. It is evidenced by the fact that “today, over 100 million people now live in free societies that are more prosperous and fundamentally secure compared to the divided Europe of pre-1989.”<sup>61</sup> NATO enlargement has made incredible strides in linking West Europe with the central-eastern portion, and thus has provided needed stability in these areas in light of

57 Polak, Hendrickson and Garrett, 505.

58 De Nevers, 35.

59 Polak, Hendrickson and Garrett, 514.

60 De Nevers, 36.

61 Volker, 3.

the instability in the Middle East. Indubitably, NATO enlargement is “primarily designed to foster trust and cooperation amongst the East European states” and the Western European states.<sup>62</sup>

The appearance of democracy is realized with the fostering of trust and cooperation. NATO enlargement necessarily and effectively carries out the Democratic Peace Theory, which asserts that “democracies do not fight each other or are much less likely to do so than other regime types.”<sup>63</sup> With the expansion of countries exhibiting democratic values and government, it then expands the so-called “zone of peace” across the region, an area marked by stability and cooperation.<sup>64</sup> This ideal is clearly evidenced by the absence of conflict between current members of NATO, which is a very high achievement for any multilateral-international organization composed of sovereign states. NATO expansion has also “precluded the rise of destructive military cultures by insisting on democratic standards” in countries which would not have otherwise done so without being under the auspices of NATO.<sup>65</sup> This primarily occurred by NATO “promoting military subordination to elected officials, civilian expertise and respect for civil rights.”<sup>66</sup>

Since the tensions and conflicts between NATO member states have been nearly nonexistent, it provides “an alternative explanation [for] NATO’s insistence on democracy and the resolution of disputes as criteria for membership ...”<sup>67</sup> The uniform values and democratic tendencies of the member states provide an environment that reduces the likelihood of conflict between new members from Eastern Europe and future members from the same region. The political stability inherent within NATO is able to elucidate to potential member states, which may only know a life of conflict and hardship, that there are more achievable diplomatic methods to solving conflicts, and that conflicts and war do not need to be the norm.

The stability and solidarity that is intended to be achieved by NATO enlargement and its proliferation of values and customs have seemed to work hitherto with its twenty-eight current members. Future enlargement would seem to only follow suit in conjunction with the decreasing opposition from Russia, the decreasing burden of economic, military and political costs, and with the increasing self-sufficiency of acceding states. A “strong and expanding NATO will aid the U.S. [and other member states] in the GWOT, be the international force used to prevent regional conflicts within Europe’s influence, and ensure the continued economic growth of Europe.”<sup>68</sup>

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62 Kydd, 807.

63 Kydd, 807.

64 Kydd, 808.

65 Epstein, 65.

66 Epstein, 65.

67 Kydd, 807.

68 Stull, 12.

Additionally NATO, indeed, “has to adapt, and is adapting, to the 21<sup>st</sup> century world by its principal efforts to enlarge, as well as its partnership efforts, its operational efforts and its shift from large heavy militaries to smaller, lighter, more expeditionary forces.”<sup>69</sup> NATO is adapting to the ever changing world of national security, not only through its ongoing combat against terrorism through its Operation Active Endeavor (OAE), but through its conscious efforts to expand in order to bring stability and a capacious political-military apparatus to Europe and around and near the Middle East. Yet, there is still more that could have been done, or could be done, to make the impacts of NATO enlargement and future enlargement that much more beneficial to the global arena.

## Recommendations

Though recent enlargement of NATO has not come to present any major complications, it may still be performed in a more prudent manner moving forward, so that it does not agitate Russia as it has in the past. The advents of the NRC and Action Plans on Terrorism have been invaluable assets since 2002 in bringing together NATO and Russia. But, the discourse between the two entities needs to be heightened even further. There is “opportunity to renew efforts to work together on issues where NATO and Russia really do have common interests- from non-proliferation , counter-terrorism, to border controls and counter-narcotics with respect to Afghanistan... the challenge, however, is to make sure NATO takes decisions on issues on their own merits... without undue pressure from any outside actors.”<sup>70</sup> By creating more discourse and cohesion on salient issues such as the one above, Russia may not have to feel as threatened or suspicious towards the activities of NATO and its expansion eastward. The common goal against terrorism has eased these feelings of incredulity, but this dynamic must continue and expand. Kurt Volker states it perfectly, acknowledging “there is no zero-sum between the interests of the Euro-Atlantic Community as a whole, and Russian interests- we are part of a common space...Indeed, Russia should be a vital part of this democratic community in Europe...”<sup>71</sup> NATO expansion is inevitable, but it can always be done in a more cooperative, more cohesive way.

It should also be considered that “rather than preserving NATO permanently as a predominantly military organization, the member states [and subsequent additional states] should increasingly emphasize its political role.”<sup>72</sup> It is important for NATO to strike a balance between its “hard” and “soft” powers because “NATO’s military functions remain important and must be retained, but the Alliance should also take a greater and more explicit part in the promotion and consolidation of

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69 Volker, 4-5.

70 Fried, 76.

71 Volker, 3.

72 Kramer “Baltic States,” 732.

democracy in central and Eastern Europe, including Russia.”<sup>73</sup>

Substantial military capability is vital when force is absolutely needed, but diplomacy and the spread of democratic values serve equally important roles. By establishing consistent political discourse with strong military power during enlargements, it becomes clear that the United States and NATO “are most successful when [they] have the most coherent and committed transatlantic set of policies,”<sup>74</sup> which include major political actions. Moreover, a “small but committed investment in NATO and European security today will prevent a significant expenditure during a future conflict in Europe...[making] transatlantic strategic cooperation one reason why the second half of the 20<sup>th</sup> century was more stable than the first.”<sup>75</sup>

By garnering a focus on political measures and by implementing more diplomatic, internationalist ties with Russia and the rest of Europe, thereby expanding transatlantic discourse, negative impulses and issues regarding NATO enlargement will be a thing of the past. Negative sentiments toward expansion will undoubtedly pass, especially in a world of globalization and converging values. Additionally, it may also be wise to ponder the potential emergence of a strong economic-military super power in China and the Far East that may become diametrically opposed to NATO and the values it represents. If this ever becomes the case, an expanded and united front from NATO will undoubtedly be necessary to counter any Far-East ambitions, whether militarily or politically.

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73 Kramer “Baltic States,” 732.

74 Volker, 4.

75 Stull, 12.

## American National Security Interest- Undermined by Foreign Debt?

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### Introduction

Throughout the Great Recession, the United States' looming fiscal deficit has increasingly been financed by foreign investors; by 2009 more than half of the federal deficit was financed by foreign capital, and the trend has grown rapidly.<sup>1</sup> Although accepting foreign liabilities is arguably necessary for recovering the U.S' economy from the deepest recession since the Great Depression, it has come with the potential cost of undermining American national security interests. A. S. Posen notes that "every successive year's accumulation of foreign debt [ ... ] increases the national security risks for the United States."<sup>2</sup> This is supported by C. F. Bergsten, who states that "To avoid catastrophic risks stemming from soaring foreign debt, the U.S. needs a plan for long-run fiscal sustainability."<sup>3</sup> Is the risk of foreign debt irrelevant to national security, or is it something that U.S. policy makers have disregarded throughout the Great Recession? To answer this question, this paper will study whether foreign debt has undermined the American national security interest post-Great Recession.

In some instances, foreign debt has already had an impact on national security. One should consider as an example the United States' naval incident with China in 2009, where "the U.S. might have decided to press its case. But it would then have to face the reality that its defense is crucially supported by the very country it wanted to confront."<sup>4</sup> In the context of "Great Power Politics" between China and the US,<sup>5</sup>, the potential risks to the United States national security should be considered, while at the same time acknowledging that about 24 percent of U.S. Treasury securities belong to China,<sup>6</sup> the potential risks to national

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<sup>1</sup> W. M. Morrison, M. Labonte. China's Holdings of U.S. Securities: Implications for the U.S. Economy. *Congressional Research Service* 7-5700. July 2009. Also, see Graph 2: Structure of Federal Debt.

<sup>2</sup> C. F. Bergsten. The Long-Term International Economic Position of the United States. *Peterson Institute for International Economics*. Special Report 20. May 2009, p. 65

<sup>3</sup> C. F. Bergsten, "The Dollar and the budget deficit," in *The Great Trade Collapse: Causes. Consequences and Prospect*. ed. Richard Baldwin. (Geneva: VoxEU.org Publication, 2010), p. 17

<sup>4</sup> D. W. Drezner. Bad Debts Assessing China's Financial Influence in Great Power Politics. *International Security*. 34(2): 7-45. Fall 2009. p. 7

<sup>5</sup> D.W. Drezner. (Fall 2009).

<sup>6</sup> W. M. Morrison, M. Labonte. (July 2009).

security should certainly be considered.

Aside from geopolitical struggles, the global importance of the U.S. dollar becomes challenged as budget deficits erode international trust in American fiscal responsibility. This could, in turn, undermine one of the capstones of American national security—the role of the US dollar as a global currency.<sup>7</sup> In the context of ongoing currency wars, as discussed further under the main body, security risks from a weakening dollar are certainly realistic. Hence, in considering both geopolitics—especially in respect to China—and currency-related national security risks, foreign debt issues require much more attention than has been the case thus far.

Herein, American policy makers are assumed to operate in the nation's best interest. Therefore, while the current policy favors an increase in federal deficits, it is expected that concern regarding foreign debt is misplaced. This would mean that foreign debt does not undermine American national security interest. On the other hand, if arguments such as those put forth by Posen and Bergsten are found to be true, the current debt policy would be flawed. Adjustments would have to be made in order to foster American national security. It is also important to note that this paper does not aim to analyze the sustainability of high deficits. Although the case of sustainability will be an implicit consideration, this paper will study foreign debt's impact on U.S. national security post-Great Recession.

## Research Design

In order to allow for objective analysis, the first section—Linkages between U.S. National Security and Foreign Debt—will bring the focus closer to the primary concern of this paper; whether foreign debt has undermined the American national security interest post-Great Recession. There are two issues here: the current structure of foreign debt within the set of federal liabilities, and the primary security risks stemming from foreign debt. Two particular issues warrant significant analysis: authoritarian powers, especially China (which holds large portions of U.S. securities), and the role of the dollar as a global currency potentially being threatened. By considering these two issues, a possible answer is expected to be found regarding whether foreign debt has undermined the American national security interest post-Great Recession.

After setting the focus, the next section—Recent History of US Federal Debt Policy and Politics—aims to analyze what determines the political acceptance of federal debt. One of the primary objectives is to understand why current American policy has favored federal deficits in response to the Great Recession. Another objective is to examine why the foreign dimension of federal debt has been left without sufficient attention. Overall, since policy decisions as well as politics *per se* originate largely in prior experiences and practices, the second section aims to facilitate a general understanding for how federal debt functions *vis-a-vis* the recent history of federal policy and politics.

The third subtopic—The Future of US Foreign Policy—will briefly discuss the

implications of any relevant findings. If national security is found to be undermined by authoritarian powers, currency-related risks, or both, there are potential changes necessary for U.S. foreign policy. However, if the latter is not true, or if not enough evidence is found to conclude that foreign debt has undermined national security, examination will be given to these respective implications. The first section will reason whether international policy changes are necessary to foster the American national security interest, whereas the second section will function as a base for understanding how respective policy issues could realistically be changed (given the recent history of federal debt policy and politics). Again, the necessity of a policy change would be determined by whether foreign debt is found to undermine American national security interests post-Great Recession.

Before moving to the main discussion, a concrete definition of national security is necessary regarding what exactly stands for national security. A concise definition is rather difficult to provide, considering that a comprehensive debate on what national security interest exactly stands for goes beyond the scope of this paper.<sup>8</sup> However, H. Lasswell ‘s explanation would perhaps serve as the best guideline for clarifying some of the ambiguity: “Our greatest security lies in the best balance of all instruments of foreign policy, and hence in the coordinated handling of arms, diplomacy, information, and economics; and in the proper correlation of all measures of foreign and domestic policy.”<sup>9</sup> Since this particular paper will consider issues related to most of the aspects identified by Lasswell, perhaps some answers for the central research question will be retrieved—that is, whether foreign debt has undermined the American national security interest post-Great Recession?

### **Linkages Between US National Security Interest and Foreign Debt**

*“To avoid catastrophic risks stemming from soaring foreign debt, the US needs a plan for long-run fiscal sustainability.”<sup>10</sup>*

There appears to be a relative consensus among scholars that the share of foreign debt is projected to approximately double within the next decade.<sup>11</sup> Moreover, since a great majority of the foreign debt is expected to be funded by foreign officials, several potentially hostile governments may therefore have a direct say in terms of how credit is supplied.<sup>12</sup> Hence, in order to further analyze the connotations, this section will first look at the changes in the structure and amount of foreign debt throughout the Great Recession and, secondly, discuss the potential implications on national security which, as Bergsten was quoted as saying above, is arguably altered due to “catastrophic risks.”

Until the 2000s, the share of foreign debt has been relatively minute. Starting from the beginning of the 21st century, however, foreign liabilities have expanded—especially

8 For an example of such a debate, see for instance: N., Onuf, Review: The New Culture of Security Studies. *Mershon International Studies Review*. 42 (1), p. 132-134, May 1998.

9 H.D. Lasswell, *National Security and Individual Freedom*, New York: McGraw-Hill, 1950, p. 75.

10 C.F. Bergsten. (2010). P. 17.

11 See, for example, J. Kitchen, M. Chinn, “Financing U.S. Debt: Is There Enough Money in the World-and At What Cost?” *La Follette School Working Paper*. No. 2010-015 (2010).

12 Ibid, p. 7.

during the Great Recession. If guided by A. S. Posen, who argues that “every successive year’s accumulation of foreign debt [...] increases the national security risks for the United States,” such a tendency seems discomfoting at the very least.<sup>13</sup> This is mainly, as Bergsten argues, due to the dollar’s global role, which “depends critically on the belief that assets held in dollars will not be subject to sustained devaluation.”<sup>14</sup> While federal debt becomes largely financed by international capital, this belief is contradicted mainly due to the fact that in order to reduce the burden of debt, the government can use inflation-tactics and, as seen very recently, currency wars.

Another aspect that raises concerns regarding the expansion of foreign liabilities is the profile of foreign capital providers. For example, one of the major groups of “worrisome” lenders is the authoritarian regimes, which are often hidden behind sovereign wealth funds. Sovereign wealth funds are investment corporations that operate with public money. D. W. Drezner has suggested that these institutions “sit at the intersection of high finance and high politics” due to their explosive growth, which has risen “regulatory and geopolitical concerns...<sup>15</sup>...”. For the US explicitly, the evolution of such investment vehicles raises questions due to the authoritarian regimes that may use the sovereign wealth funds “as one component of possible rival to liberal free market democracy...<sup>16</sup>...”.

According to Gat<sup>17</sup>, modern China and Russia “represent a return of economically successful authoritarian capitalist powers, which have been absent since the defeat of Germany and Japan in 1945, but they are much larger than the latter two countries ever were...<sup>18</sup>”. If Gat’s observations are true, this would indicate that the new competitors to the U.S.-led liberal democratic world are rapidly on the rise. Due to reasons such as China being “the largest player in the international system in terms of population and [ ... ] spectacular economic growth”, the challenges to American dominance could potentially become greater than they were during the Cold War or World War II. Moreover, since “the United States, and its alliance with Europe, stands as the single most important hope for the future of liberal democracy<sup>19</sup>”, it would be shortsighted of American leaders to disregard the potential threats stemming from these authoritarian nations—wherein financial dependence would classify as one such risk.

Along similar lines, M. Glosny from MIT has elaborated on the rise of BRICs (Brazil, Russia, India, China), and asked if they will “unite to challenge the United States collectively.”<sup>20</sup> Moreover, while studying China’s particular impact on BRIC nations’

13 C. F. Bergsten (May 2009), p. 65

14 Ibid, p. 65.

15 D. W. Drezner, Sovereign Wealth Funds and the (In)security of Global Finance. *Journal of International Affairs*. 62 (1): 115-130. Fall/Winter 2008, 115.

16 Ibid, p. 119

17 A. Gat, The Return of Authoritarian Great Powers. *Foreign Affairs*. July/August 2007, p. 1.

18 Ibid, p. 4.

19 Ibid, p. 4

20 M. A. Glosny. China and the BRICs: A Real (but Limited) Partnership in a Unipolar World. *Policy*. 42:100-129. 2009.

policies, Glosny has asked whether China is motivated to advocate for a new international world order, such that American dominance would be overcome by a Chinese-led emerging world. On the one hand, he points out that “BRICs have recently undermined the dollar as the reserve currency and pressured the western powers to make the international order more inclusive and representative.” Such actions would imply that the BRICs, largely consisting of authoritarian powers, could indeed force the decline of U.S. dominance. On the other hand, however, Glosny does not see a “grand plan to overthrow the order that the BRICs will implement as they grow stronger.”<sup>21</sup>

From this perspective, perhaps the rise of authoritarian powers does not pose a direct national security threat to the United States. Although their growing geopolitical influence is rather imminent<sup>22</sup>, no clear evidence exists that they would use the power to undermine American national security. Furthermore, even if the U.S. power decline is a reality next to the rise of the emerging world, this does not necessarily imply that the American national security interest would be threatened. However, another question is whether the U.S.’ own perception of national security interest includes the status of a super power. If this is true, the motives of the emerging world would become secondary. Instead, the a priori concern in this case would be the fact that due to the rise of authoritarian states and a subsequent decline of the United States, Americans would no longer be able to grant the super power-posed prerequisites for ensuring national security interest.

From such a lens, the decline of American economic power, in concurrence with financial indebtedness to other world powers—particularly China—suggests that American economic interests post-Great Recession have been undermined. This approach is supported by W. Lee, who argues that “economic power is far more critical [than military power *per se*] in maintaining our global power and influence.”<sup>23</sup> More precisely, according to Lee, the inability to properly recognize economic power as the foremost determinant for national security interest puts the US in “danger of becoming a regional power in the next [21<sup>st</sup>] century,” which in turn would mean that America “will lack the economic strength to fulfill [...] global military commitments and exercise diplomatic influence...<sup>24</sup>.”

In considering that the US is \$12.25 trillion in debt to China<sup>25</sup> who, which is also the most probable competitor for American status as a superpower, the connection between foreign debt and national security becomes explicit. Given rising American criticism

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21 Ibid, p. 19.

22 See, for example: A. Virmani. A tripolar century: USA, China and India. *Indian Council for Research on Economic Relations*. March 2005. Retrieved From: <http://www.icrier.org/pdfwp160.pdf> (accessed on 12/03/2010).

23 W. T. Lee, National Power and a National Economic Strategy. *Strategy Research Project. US Army War College*. 1996. Retrieved from: <http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA308661&Location=U2&doc=GetTRDoc.pdf>. (accessed on 12/03/2010).

24 Ibid, p.1.

25 F.V. Washington, To Lose China Is to Lose Superpower Status. *Strategy Research Questions. U.S. Army War College*. 2010. Retrieved from: <http://dtic.mil/cgi-bin/GetTRDoc?AD=ADA530517&Location=U2&doc=GetTRDoc.pdf>.

towards China for engaging in currency protectionism—and hence significantly harming the United States’ economic recovery from the Great Recession—the issue of indebtedness increasingly strains American policy options.<sup>26</sup> In fact, the American Treasury Secretary has openly accused China of manipulating its currency, whereas at the same time threatening that “protectionist policies” might have to be implemented as counter measures<sup>27</sup> in the US. Such rhetoric from the United States has lost leverage as indebtedness to China has continually increased.

From this perspective, the inability to effectively respond to China’s harmful currency manipulations could indicate that the national security interest is directly in danger. This is supported by F. V. Washington, who argues that due to both the American budgetary and trade imbalances, “the U.S. must maintain good relations with China to retain its superpower status,” which in turn is crucial for successfully fighting the War on Terror and honoring “its commitments to the allied nations around the world for various reasons to include domestic, humanitarian, and military operations other than war.”<sup>28</sup> Herein, if Washington is correct, this would mean that the U.S.’ federal debt to China has created a situation where the authoritarian power has an unacceptable influence over the US’ status as a superpower. At the same time, since both American military power and U.S. ability to meet global obligations (e.g. enforcing democratization) depend on the US’ status as a superpower, China’s authoritarian practices could indeed seek to weaken America in that regard.

While considering the fact that China is not the only power holding the looming foreign liabilities, it might just become irrelevant whether BRICs or other authoritarian nations have a clear cut plan for contesting U.S. global power. From this perspective, what becomes relevant instead is the fact that the authoritarian countries—foremost among them China—gradually buy their influence over U.S. national security as federally held foreign debt increases. Subsequently, regardless of whether they choose to exercise their power, as long as they have the option to contradict the American national security interest, it should be unacceptable for the United States’ political elite.

In this respect, the aforementioned naval incident with China is just a minor example of how the US could become threatened. Herein, once the thought of authoritarian nations destabilizing the American position for placing demands on the U.S.’ counterparts is considered, the true security risks are revealed. As already briefly discussed, the American inability to decisively tackle China’s currency manipulations is an example of much larger implications. Because of the financial dependence on China, it would be extremely costly for the American policy makers to counteract with, for example, protectionist measures. This is especially so because the U.S. would risk losing the source

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26 About accusing China in currency protectionism, see for example: M. P. Dooly D. Forets-Landau, and P. M. Garber, *Bretton Woods II Still Defines the International Monetary System. NBER Working Paper Series*. Working Paper 14731. 2009.

27 Ibid, p.3.

28 F.V. Washington, (2010).

of vast Chinese foreign reserves for refinancing the extremely high federal debt. If this were to happen, given that about 24 percent of the foreign liabilities are held by China, the US would have to replace the Chinese share either by taking money from the domestic economy (which would have a devastating impact on the already fragile economic recovery, since it would mean taking funds away from the private market), or finding new foreign investors. Neither of the two would even remotely support a U.S. recovery from the Great Recession.

Now, the question remains-how exactly do foreign government lenders gain influence over U.S. national security interests? One of the primary answers lies within Sovereign Wealth Funds (SWFs), which, in short, are investment firms run on public finances (mostly standing on excess reserves accumulated from export revenues). While Drezner was already quoted as arguing that SWFs present “geopolitical concerns”, B. J. Cohen goes even further by pointing out that “SWFs could be used instrumentally to seek control of strategically important industries, to extract technology or other proprietary knowledge, or to achieve a degree of direct or indirect influence over host governments.”<sup>29</sup>. Moreover, according to Cohen, the issue of sovereign wealth funds is a very recent problem. Initially, when small nations such as Kuwait or Kiribati formed investment vehicles to earn revenues from foreign financial markets, the possible national security implications were minute. However, after China and Russia created SWFs in 2007—each worth hundreds of billions of dollars—it is no surprise “that political discourse might now begin to take national security concerns more seriously.”<sup>30</sup>

For example, while understanding the growing security concerns with regard to SWFs, “the European Commission issued a formal statement calling for new scrutiny on SWF operations.” Furthermore, as Cohen points out, this was also noted by some of the American political elite. For instance, Cohen quotes John McConnell, the director of US national intelligence in 2008, who stated, “Concerns about the financial capabilities of Russia, China, and OPEC countries and the potential use of their market access to exert financial leverage to achieving political ends represents a major national security issue.”<sup>31</sup>. On top of that, and perhaps most importantly, Joe Biden, who was then the chair of the Senate Foreign Relations Committee, spoke along the same lines (sic!), “There is a subtle impact on our conduct of foreign policy when investments are made, for them to determine and put impact on the Congress and the president to curtail and/or enhance a certain foreign policy action.”<sup>32</sup>

Herein, although the latter applied to a broader form of investments than just the purchases of federal debt, this still proves that the political elite has been absolutely conscious throughout the Great Recession, and that a drastic growth in foreign debt levels

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29 . J. Cohen, Sovereign wealth funds and national security: the Great Tradeoff. *International Affairs*.85(4) : 713-731. 2009.

30 Ibid, p. 719.

31 Ibid, p. 720.

32 Ibid p. 720.

directly risks the American national security interest. On first glance, since the central goal of this paper is to determine whether foreign debt has undermined the American national security interest post-Great Recession, finding that this has in fact been implicitly admitted on almost the highest level of government—by the current Vice President of the US—it almost appears as if the paper does not need to go further. If both the former director of the US national intelligence and the current Vice President admitted that national security is altered due to the nation’s financial dependency on authoritarian powers, what other evidence is needed to retrieve a credible conclusion?

Nevertheless, while this perhaps indeed proves that the current policy makers have not acted upon the nation’s best interest, as they have potentially allowed for an undermining of American national security interests, this does not mean that the risks will come true. This in turn might prove that, perhaps, the policy makers had to choose the lesser of two evils in deciding whether to save the economy from a free fall by taking on foreign debt—and hoping that the authoritarian powers will not exercise their excess power—versus standing by while the economy runs into a depression. For example, J. Kirshner argues that the concerns regarding sovereign wealth funds, and the involvement of foreign governments in lending funds to deficit nations, are overstated.<sup>33</sup> This is especially so, according to Kirshner, due to the lack of clear linkages between “high politics” and sovereign wealth funds. Instead, the SWFs are “intervening variables-manifestations of other pathologies, rather than the root causes of the potential trouble.”<sup>34</sup> Therefore, since SWFs are one of the main vehicles used to provide foreign official loans, the potential risks stemming from the fact that a substantial amount of federal debt is held by foreign governments, may not be as straight-forward as perhaps argued by scholars such as Bergsten, Drezner, or Cohen.

Therefore, in deciding whether authoritarian powers purchasing access in order to directly influence American policy decisions (and hold the power of undermining national security interest) is a true threat, the answer remains somewhat inconclusive. On the one hand, the American political elite have certainly disregarded the potential risks stemming from the financial dependency on authoritarian powers, especially China. This has been shown to constrain American policy options in tackling several national security-related issues, including responding to Chinese currency manipulations, which risk the American economic recovery from the Great Recession, and therefore weaken the U.S.’ position as a global super power. Furthermore, given that the U.S.’ political elite has been completely aware of the potential dangers, it is somewhat astonishing that they have recklessly continued the current path of increasing federal deficits.

However, in considering that the U.S. economy has been facing the worst economic crisis since the Great Depression, it could be argued that the policy makers have chosen the least harmful option. Moreover, if supporting this with arguments such as

33 J. Kirshner, *Sovereign Wealth Funds and National Security: The Dog that Will Refuse to Bark. Geopolitics.*

14: 305-3J6. 2009.

34 Ibid, p. 306.

Kirshner's regarding overstated worries on SWFs conducting "high politics", the current policy of increased foreign debt might indeed be supported. This in turn would mean that the decline of U.S. superpower status has been seen inevitable by the political elite, just as accepting the financial indebtedness to the authoritarian powers, especially since the evidence suggests that they have no hostile ambitions.

Although the issue regarding authoritarian powers, especially China, holding substantial amounts of the US' foreign debt did not entirely clarify whether the American national security interest has been undermined, the discussion will now shift to a separate linkage: the dollar-related risks. Herein, the fundamentally important connection between the U.S. dollar and American national security interest lies within the notion of an international belief in the dollar's strength. While this is important for numerous reasons only implicitly related to the national security interest, there are several levels of connections explicitly significant for the latter. Foremost, the dollar's credibility secures its use as a global currency, ensuring that the international community adheres to the American currency system. It also incentivizes international investors, including the authoritarian powers, to continue purchasing dollar-denominated debt.

First, as long as the international community is adhering to the dollar as a global payment currency, numerous potentially hostile nations otherwise become attached to the U.S. Moreover, as Posen argues, the dollar-created "ties orient further the other country's leadership—military, financial, and otherwise—toward U.S. society and politics, be it in public matters of macroeconomic linkages and arms sales or in private decisions." In other words, the currency has relevant spill-over effects in forms of "soft power", which ultimately benefit American national security interests.<sup>35</sup>

In the context of growing foreign debt, the above benefits become increasingly altered. This is, foremost, due to "growing external debts and account deficits," which have both contributed towards weakening the dollar's stability and, hence, credibility of dollar's stability.<sup>36</sup> Considering that the dollar's global role has managed to support American foreign policy—mostly via "buttressing US power and policy autonomy within the global system"—the increasing indebtedness no doubt moves towards the U.S. in the opposite direction.<sup>37</sup> Moreover, as Drezner (2009) argues, this could prove potentially dangerous for the whole U.S. foreign debt issue as, so far, the federal government has been able to denominate the debt "in its own currency."<sup>38</sup> Most significantly, this is important due to America's unique ability to minimize exchange rate risks that several other nations have to face while issuing foreign debt. Furthermore, if a considerable change indeed occurred in the global currency system—which would most likely mean reducing the importance of the

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35 D.W. Drezner (2008), p. 68.

36 E. Helleiner, Political determinants of international currencies: What future for the U.S. dollar? *Review of International Political Economy*. 15(3): 354-378. 2008.

37 Ibid, p. 372.

38 D. W. Drezner, Will currency follow the flag? *International Relations of the Asia Pacific*. 10: 389-414. 2010.

dollar—it would present “potentially significant and unappreciated restraints upon contemporary American political and military predominance.”<sup>39</sup> If this is true, not only would this reduce the competing nations’ incentives for refinancing the current American debt,<sup>40</sup> but it would also potentially create a vacuum where the dollar’s primacy had been serving as an international mediator. While the numerous implications of such a possible scenario could be debated, it is rather obvious that the American status as a superpower could be dealt a potentially detrimental blow.

Therefore, as Kirshner, for example, concludes, “...while dollar doomsayers have cried wolf repeatedly in the past, the current massive US debt, its unprecedented current account deficits,” and a few other variables, “have caused the dollar to drift towards uncharted waters.”<sup>41</sup> Among several political consequences of the dollar’s decline, argues Kirshner, would be reduction in the “ability for the US to use force abroad, macroeconomic distress during international crises, and consistent pressure on federal budgets.”<sup>42</sup> From the perspective of considering whether foreign debt has undermined the American national security interest post-Great Recession, it now becomes increasingly complicated to overlook a connection between threats to national security interests and foreign liabilities.

However, just as was the case with the authoritarian powers potentially undermining national security interest, an alternative position can be identified. M. Fratzcher argues, for example, that weakening the dollar is absolutely necessary to resolve for the trade deficits, and therefore move the economy back towards more sustainable growth.<sup>43</sup> Given this perspective, potential decline in the dollar, which is exacerbated by U.S. foreign debt, would actually have an opposite effect on American national security interests. Since a weakened dollar would make the American exports cheaper, this would support U.S. economic production, which in turn would arguably contribute towards strengthening the whole U.S. position. Subsequently, although this would mean that the international currency system would have to go through several shocks, in the long run it would help solve the structural imbalances that the United States currently faces.<sup>44</sup> Hence, if this perspective were true, perhaps the potential decline of the dollar as a global currency would not have as negative of an impact after all.

All in all, although the looming share of foreign debt is likely to increase risks on

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39 J. Kirshner, Dollar primacy and American power: What’s at stake? *Review of International Political Economy*. 15(3): 418 -438.2008.

40 See for example: V. Shih. D. A. Steinberg, The Political Economy of the International Dollar Standard: A Statistical Analysis of Support for the Key Currency. 2000-2008. *Report Prepared for the Presentation at the 2009 meeting of the International Political Economy Society*. Retrieved from: [http://nccg.princeton.edu/IPES/2009/papers/\\_paper2.pdf](http://nccg.princeton.edu/IPES/2009/papers/_paper2.pdf).

41 J. Kirshner, (2008), p. 431.

42 Ibid, p. 432.

43 M. Fratzcher. US shocks and global exchange rate configurations. *Economic Policy*. April 2008: 363 -409. 2008.

44 Ibid, p. 402.

national security, both due to the fact that authoritarian regimes have excessive power over influencing American policy, as well as the potential for undermining the credibility of the dollar, there is not enough evidence to conclude that the “catastrophic” scenarios are certain. Yet, while the current fiscal policy is continuing the expansion of federal debt, it must be noted that the unprecedented expansion of foreign liabilities throughout the Great Recession has sparked considerable uncertainty. Hence, while in the short run, there are probably no major threats likely to stem from the existence of foreign debt, there certainly are long-term national security issues that have not been considered seriously enough (e.g. loss of the dollar’s credibility and excess financial exposure to the authoritarian regimes).

### **Recent History of Federal Debt Policy and Politics**

The current scope of fiscal deficits relative to GDP is rather exceptional, surpassing those of the World War I and the Great Depression, but still less than the deficits during World War II. Also, as the second half of the 20<sup>th</sup> century was the time of building the “liberal consensus,” the role of the federal government in diminishing social inequality increased drastically, as opposed to the practices prior to “liberal consensus.” Among other things, this meant increased federal debt levels that were used to fund the ideology of the “liberal consensus” (see Graph I, which shows that Federal Debt between 1950 and 2010 has remained constantly higher than was the case before World War I). Furthermore, according to K. Phillips-Fein, the post-World War II public “accepted the general framework of Keynesian economics, acknowledging that government spending could help counterbalance the destructive recessions.”<sup>45</sup>

From a broad perspective, after the Keynesian reasoning was accepted, deficits became an integral part of conducting policy through fiscal measures, especially during times of economic difficulties. Perhaps one of the first examples for such an advocacy was the tax cuts initiated by President Kennedy, and finalized by Lyndon Johnson after Kennedy’s assassination. As these cuts were designed to fight unemployment, while accepting an increase in deficits, the political rationale was rather similar to the current reasoning for deficits, to compensate for weaknesses within the private sector.<sup>46</sup>

Although it is arguable whether the policy had an overall positive effect on society, the gradual acceptance of federal deficits certainly started to spur the importance of government spending. Since the U.S. economy witnessed substantial difficulties throughout the 1970s due to stagflation, Uncle Sam was compelled to run even greater deficits, and thus compensate for the simultaneous spiraling of inflation and unemployment, both of which caused significant political pressure on the incumbent party. Subsequently, as Kettl points out, the deficits started to double in each decade—starting from the 1950s through the 1980s—regardless of whether Republicans or Democrats were holding power.<sup>47</sup>

45 K. Phillips-Fein, *Invisible Hands: The Making of the Conservative Movement from New Deal to Reagan* (New York: W.W. Norton, 2009).

46 See, for example, D.F. Kettl, *Deficit Politics: Public Budgeting in Its Institutional and Historical Context* (New York: Macmillan Publishing Company, 1992), p. 21

47 *Ibid*, p. 24.

Herein, although the debt issue gradually became a substantial matter within domestic political battles, it had no remarkable international implications. For example, during the fiscal year of 1992, only 18.3 percent of the total federal debt was held by international investors. Moreover, since the total amount of debt remained rather marginal compared to today's figures, ca. \$3.2 trillion in 1990, owing less than one fifth of this to foreigners did not pose a substantial security risk.<sup>48</sup> Moreover, as the Clinton Administration during 1990s was mostly coupled with budget surpluses and strong economic growth, the issues regarding deficits faded from the debates of mainstream politics.

Yet, the post-World War II political economy still holds significant implications for the general willingness to opt towards fiscal deficits. Once the political decision was made to support Keynesian economics, it became rather difficult to cut spending; instead, for the most part, the federal deficits started to increase throughout ensuing decades. While there can be several reasons for such a phenomena, the issue tends to lie within the fact that "elected officials resist making the hard decisions."<sup>49</sup> Furthermore, as the practice of running deficits lasted decades before the expansionary fiscal policy was used in response to the recent crisis, such policies became easier to accept.

While considering the influence of domestic politics on the rapid expansion of federal debt, several classifications may be used. Perhaps the most obvious starting point would be to look at the partisan differences. As Democrats are traditionally in favor of greater government involvement, whereas Republicans rather prefer small government, the first intuition would suggest that Democrats are also more debt-prone. A similar tendency is noted by M. A. Smith, who argues that Republicans have often been favored, when it has come to issues regarding the economy. As Smith uses the example of sets of surveys that he has been conducting since 1951, Republicans have had an "electoral edge" in this matter throughout most of the years.<sup>50</sup> Since the economic stance of Smith's surveys is related to the notion of social protection and other state-provided benefits, these directly relate to the core of budget deficits due to their expensive nature.

From this perspective, the proponents of the Republican advocacy could also be seen as one of the largest interest groups that stand against increasing federal debt. However, while looking at some of the policy action taken by previous governments, such logic does not hold ground. The Bush tax Cuts in contrast to President Clinton's budget surpluses are perhaps one of the most recent examples. Moreover, according to scholars such as J. D. Sachs, President Bush ran "the most reckless fiscal policy in the history of the U.S."<sup>51</sup> From the perspective of identifying relevant interest groups that affect the creation of

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48 For applicable readings, see D.F. Kettl, (1992), p. 27.

49 Ibid, p. 95.

50 M.A. Smith, "The right talk: How conservatives transformed the Great society into the economic society." (Princeton: Princeton University Press, 2007), p. 182. C.F Bersten, "The Dollar and the budget deficit," in *The Great Trade Collapse: Causes, Consequences and Prospect*, ed. Richard Baldwin. (Geneva: Vox-Eu.org Publication, 2010), 17-20.

51 J.D. Sachs, "How Bush ruined a decade's good work," *The Banker*, February 03, 2004.

budget deficits, the latter has rather important connotations.

Although it can be argued that the traditional Republican discourse favors the economy while lowering government influence, it does not mean reducing government spending. While the influence of the government can be curbed by lowering taxes, which also serves the interest of private businesses, it does not mean that government spending will necessarily be altered in the short run. On the contrary, within the context of looming debt, the government may be able to do both: reduce the extent of responsibilities the constituents have while increasing social benefits at the same time.

For the short-term political interest groups, such behavior is rather tempting. For example, N. Schoefield and G. Miller elaborate on a similar paradox. While they argue that the “Republican success depends on balancing the opposed demands of economic and social conservatives,” they indicate the two major interests groups that affect GOP’s politics. Furthermore, they do the same for Democrats by defining their critical challenges in “overcoming the policy demands of economic liberals and gaining support from cosmopolitans-the socially liberal but economically conservative potential supporters of the party.”<sup>52</sup>

Since these challenges represent the demands of the constituents, they also define the broad framework for conducting budget politics. Moreover, while these paradoxes often contradict the “reasonable” economic policy, this also proves that the party-line division for determining debt-prone politicians is often misleading. Herein, while concerning the domestic policy’s and politics’ implications on foreign debt *per se*, it is rather difficult to separate relevant domestic interest groups that would explicitly advocate for international liabilities. Hence, the issue needs to be rather considered in the context of the whole federal deficit, which has essentially become too big to be financed by solely domestic capital.

All in all, the nature of domestic policy and politics allows for the expansion of federal debt. While numerous issues are related to the general paradox of politicians having to satisfy their constituents even if the policy action may not be economically reasonable, this paper does not claim that other variables will not shape the politics regarding deficits. On a more conceptual level, however, the above provides a tentative framework for understanding how government spending and debt function within partisan rivalry. The following section will now briefly assess some of the paper’s potential implication on the future of US foreign policy.

### **The Future of US Foreign Policy**

Herein, as Joe Biden and other high ranking politicians were shown to acknowledge the fact that several authoritarian powers, particularly China, have a potential of altering the US national security interest, it could be hypothesized that the Government could seek for foreign policy that minimizes these risks. Since it was shown that China, for example, has a crucial role in securing the stable refinancing of the US federal debt, the

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52 N. Schoefield, and G. Miller, Elections and Activists Coalitions in the United States. American Journal of Political Science, 51 (3): 518-531. 2007, 518.

future policy will most likely remain neutral to the Chinese purchase of liabilities. Therefore, although the Treasury Secretary was quoted to threaten potentially protectionist measures in response to the Chinese currency manipulations; such a threat is most likely unrealistic. Also, US policy makers will want to maintain American super power status, which supports the continued War on Terror. Additionally, this was found necessary to ensure that the US meets its obligations in pursuing democratization and executing domestic, humanitarian, and military operations other than war.

Hence, the foreign policy options that the US Government could employ towards reducing the influence of authoritarian powers will rather be peaceful and lack explicit confrontation with the primary competitors (such as China). What is quite clear, however, is that the US will drift back to realist rather than neo-liberal practices. This is supported by P. M. Cronin, who argues that “The United States retains broad security interests and a dedication to global process, but its strained resources should oblige a pragmatic reexamination of how the country pursues its ambitious aims.”<sup>53</sup> This means both focusing on business activity abroad in order to foster the American economic engine, as well as reexamining the former power alliances with nations such as Japan, UK, and other European countries. The latter is likely since it will better equip USA for fighting the challenges posed by the fiscal dependency on authoritarian states.

B. Fine from the London University argues, for example, that the recent crisis might have “delivered a death blow to neo-liberalism,” and even “if there now are any neo-liberals left, they are liable to be keeping a low profile.”<sup>54</sup> This implies that the current state of fiscal difficulties will most likely prescribe a very rational approach for the US foreign policy, primarily driven by narrow self-interest. This would be especially true, since America cannot afford to lose its dominant economic position as it would be difficult and overly expensive to resolve the current financial difficulties.

Consider, for example, the reasoning for why the decline of the dollar would theoretically be dangerous for the US; it would reduce the incentives of foreign investors for purchasing the American debt. Such a prospect could potentially outweigh the considered alternative, where a relative decline of the dollar would be beneficial for the US exports and be potentially advantageous for the American national security interest. One of the primary reasons for why the US policy makers would not benefit from the latter scenario is that if the foreign investors stop purchasing the US debt, the country would be left into a fiscal quagmire. A loss in the credibility of the dollar would lead the US one step closer to such an unfortunate threat, and US policy makers will most likely realize this as they return to realist roots.

Therefore, while considering the Future US foreign policy, it is most likely

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53 P.M. Cronin, *Restraint Recalibrating American Strategy*, *Center for a New American Society*. June 2010, p. 5

54 B. Fine, *Neo-Liberalism in Retrospect: It's Financialization, Stupid*. Prepared for Conference on “Developmental Politics in the Neo- Liberal Era and Beyond.” October 2009. Retrieved from: <https://eprints.soas.ac.uk/7993/1/seoulart.pdf> (accessed on 12/3/2010).

determined to ensure that its economic power remains strictly supported, and that nothing would further risk the already fragile conditions of post Great Recession recovery. Hence, a realist lens would serve as most functional for such a pragmatic policy. This is supported by O. C. Hendrickson, who has argued that the US has been living in an “Empire Bubble,” mainly caused by a feeling of over confidence after winning the Cold War and being the hegemony for almost two decades.<sup>55</sup> After the Great Recession, however, the “Empire Bubble” is bust• such as proven by the potential, although not straightforwardly foreign debt related national security threats. After the realization has reached to most of the political elite (which it has been shown to already reach Joe Biden and other high ranking officials), it is most likely that American foreign policy will adjust to explicitly concerned in self-interest rather than waning away by build the neo-liberal world.

Another scholar that supports such observations is D. M. Oglesby, who has noted that the Great Recession has given rise to “a new diplomacy.” More specifically, the “new age of international politics” will be “characterized by weak but assertive states, rising powers, and waning American primacy.”<sup>56</sup> Furthermore, while elaborating on the fact that the Great Recession has significantly weakened the American positions, Oglesby argues that for “the United States to operate effectively on the shifting ground of the global landscape, it needs better alignment between its instruments of statecraft and the work do be done.” Indeed, while this remotely hints that the future of American foreign policy will be altered due to the changed conditions of national security, Oglesby also points towards the necessity of “a new diplomacy grounded in the reality of our plural existence, where the stakes are high and passions and perspectives clash.”<sup>57</sup>

With regard to how the US foreign policy could potentially become driven by the implications of foreign debt, the general principles would most likely be similar to the Oglesby’s characterization of “new diplomacy.” This would mean that the American policy makers would become extremely weary of the potential national security threats• i.e. “the stakes are high-” whereas at the same time, the country will probably not back down from most of its global commitments (especially with regard to the War on Terror).

Since the stakes are high, however, US foreign policy will most likely exhibit a rather nervous and somewhat less patient discourse. The case of the Treasury Secretary threatening China with protectionist measures is an example. Nevertheless, as it was discussed under the Policy and Politics sections, the Democratic and Republican discourse has grown rather apart in these matters. It is most likely that the American political elite, from both of the parties, will still primarily be driven by the motivation to appeal to the electorate rather than making unpopular decisions. Such action potentially means that the US will engage in some reckless foreign policy acts (such as a trade war, for example) with

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55 D.C. Hendrickson, The Curious Case of American Hegemony: Imperial Aspirations and National Decline, *World Policy Journal*. Summer 2005.

56 D.M. Oglesby, Statecraft at the Crossroads: A New Diplomacy. *SAIS Review*. XXIX(2): 93-107. 2009.

57 Ibid, p. 94.

the motive of appeasing the electorate that is likely to increasingly demand the reinstatement of the now bust “Empire Bubble.”

This would mean that even if the national security has currently not explicitly been threatened by foreign debt, the American decline and financial indebtedness to competing nations (e.g. China), will begin to most likely shape the type of foreign policy that America chooses to conduct. This is supported by R. Wade, who has argued that while the “continued rise of US budgetary deficits” is rather likely, this also brings “continued unemployment, and perhaps rising social unrest.”<sup>58</sup> Hence, a somewhat impatient foreign policy, especially towards the nations that potentially make the US post Great Recession recovery more difficult, while at the same time, threatening the national security interest, will again be likely.

In fact, the current international discourse already has several indications that a change in the fundamental drivers of foreign policy, which foreign debt is now part of, has already occurred. For example, R. Skidelsky, a Professor of Political Economy and a Member of the British House of Lords, has made such observations after the latest G20 meeting in Seoul. While particularly focusing on the fact that both China and United States “accused each other of deliberately manipulating their currencies to get a trade advantage,” he concludes that as a matter of fact, “amid talks of the ‘risks’ of new currency and trade wars, such wars have already begun.”<sup>59</sup>

Moreover, Skidelsky argues that the current international arena resembles very much 1930s· the era post Great Depression. Interestingly enough, he elaborates on the fact that Henry Morgenthau, then the head of the US Treasury Department, and F. D. Roosevelt met virtually every morning in the middle of 1930s in order to set a higher price for the gold (as the US was operating under the Gold Standard). This in turn reduced the relative price of the dollar, and made exports of US products cheaper. A result of such an advocacy was an artificial increase of demand for the US’ manufactured goods, a policy that very much represented a mercantilist realist ideology.<sup>60</sup>

While coupling this to the fact that currently, the US Federal Reserve engages in Quantitative Easing programs, which virtually stands for printing vast amounts of new dollars with the purpose of reducing the dollar’s exchange rate, and hence, favoring US exports, a very same (realist) policy is now arguably conducted with somewhat different methods. With regard to how the US foreign debt comes into play, the key lies, once again, in the fact that numerous authoritarian states (especially China) are the ones that are holding most of the liabilities. Now, although China itself engages in exchange rate protectionism and therefore harms the US economic recovery, American foreign policy cannot directly confront the Chinese (mainly due to the fact that they are needed to

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58 Wade, R, From global imbalances to global reorganizations. *Cambridge Journal of Economics*. 33: 539-562.

59 R. Skidelsky, The Irrepressible 1930’s Project Syndicate. November 2010. Retrieved from: <https://www.project-syndicate.org/commentary/skidelsky35/English> (accessed on 12/3/2010).

60 Ibid

refinance the foreign debt in the future). Nevertheless, a confrontational foreign policy is conducted through indirect measures, such as the Quantitative Easing programs, which in essence serve the purpose of protecting the national security interest, and are very similar to what H. Morgenthau proposed in 1930's.

All in all, although this paper has not completely proven that the current levels of foreign debt undermine the American national security interest, it has been noted that such a considerable risk does exist. While coupling this to the overall decline of the American global status, it could be seen to increasingly have an impact on the US foreign policy. While it is herein recognized that foreign debt is certainly not the only driver, and perhaps also not the primary determinant of the future of US foreign policy, it can be noted to be among the ones that shape future foreign policy. The potential threats posed by the authoritarian powers holding vast amounts of US foreign debt, and the risks of weakening the credibility of the dollar are too big of national security risks to be just overlooked. Hence, while the US foreign policy will most likely shift towards more realist practices, it will also become more concerned in reducing the latter national security risks.

## Conclusion

The goal of this paper was to study whether foreign debt has undermined the American national security interest post Great Recession. In order to do so, the paper was divided into three main sections: Linkages between US national security and foreign debt; recent history of the federal debt policy and politics; and the future of US foreign policy. While defining what national security interest stands for, it was recognized that providing a comprehensive definition is rather challenging. Nevertheless, Lasswell's explanation was found to serve as the best guideline for clarifying some of the ambiguity: "Our greatest security lies in the best balance of all instruments of foreign policy, and hence in the coordinated handling of arms, diplomacy, information, and economics; and the proper correlation of all measures of foreign and domestic policy."<sup>61</sup>

Since US policy makers were assumed to function in the country's best interest, the findings of this paper anticipated to support current policy-which would have meant that no significant risks for national security could be found. However, albeit the paper remained inconclusive on whether the American national security interest has explicitly been undermined due to foreign debt, there still were significant risks identified-which in some cases, should be unacceptable for the US political elite (e.g. the authoritarian power's potential to destabilize the American fiscal policy via Sovereign Wealth Funds). This was also shown to be recognized by Joe Biden-the current Vice President-and Joe McConnell, the former director of the US national intelligence.

While being guided by Lasswell's definition for what national security stands for, the latter is arguably violating the "balance between all instruments," since as it was also shown, it is constraining the American policy responses to issues such as Chinese currency manipulations. At the same time, because the American economic recovery

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61 H.D. Lasswell, *National Security and Individual Freedom*, New York: McGraw-Hill, 1950, p. 75.

is banned by such manipulations, the US policy makers were shown to be looking for alternative measures to lower the harmful impacts. As discussed under The Future of US Foreign Policy, the American Quantitative Easement programs have the effect of artificially lowering the dollar's exchange rate.

On the one hand, this represents a policy similar to the realist advocacy in the 1930s, when the value of the greenback was altered via the Gold Standard in order to ease American exports the immediate effect is indeed that the US policy makers are able to indirectly deal with the Chinese currency manipulations. On the other hand, however, this undermines the credibility of the dollar. Since the latter was shown to be another relevant national security issue for the US, the Americans are in fact potentially risking their own national security interest (because of undermining the credibility of the dollar), while attempting to solve for the other• authoritarian states holding too large amounts of the US foreign debt.

At the same time, under the section Recent History of US Federal Debt Policy and Politics, it was elaborated how until 2000s, the issue of federal debt was primarily considered within a domestic framework. This could be seen as one of the primary reasons for why the current political discourse has been largely disregarding the issue of increasing foreign liabilities. To a certain degree, this may be considered understandable: as there are almost no historic references for significant foreign liabilities, there has also been no considerable debate about the pros and cons of allowing for such policy.

Yet, this does not justify the potential undermining of national security interest. Under the linkages between US national security and foreign debt, it was elaborated on how the policy potentially harms the credibility of dollar as a global currency, and how the US' financial dependence has become excessively exposed to major authoritarian regimes. Both of these findings have found to potentially undermine the long-term American national security interest, which in turn offers tentative evidence for falsifying the current debt policy. However, it must be said, that further research still needs to answer, what exactly were the US policy-makers' mistakes.

At the moment, it can be hypothesized that current policy has somewhat harmed the US national security interest via the two variables (allowing for excessive financial exposure to authoritarian states and weakening the dollar), which in turn may indicate that once the errors have been recognized by the political elite, certain policy changes will take place on the international arena. This is mainly due to the fact that if the hypothesis is true, the US will attempt to compensate for the previous shortfalls-and as suggested by the future of US foreign policy section, most of the strategy will be guided by realist connotations.

# **Transforming the U.S.-Japanese Alliance**

## **A CASE FOR A LESSER AMERICAN ROLE IN JAPAN'S SECURITY**

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For the first time, America's cherished alliance with Japan is being put to the test. The impending territorial dispute between China and Japan--undoubtedly the most powerful countries in East Asia--have paved the way for an honest and much needed discussion about the U.S.-Japan alliance. Japan remains one of America's most loyal and beloved allies, but the domestic challenges that the U.S. faces requires a thoughtful reconsideration about the necessity of its security commitments to Japan. Given the fiscal challenges Japan faces at home and the ambitious role it wishes to play in Asia in years ahead, U.S. policymakers must consider altering its security commitments to Japan and encourage the Asian power to claim more responsibility for its own security.

This paper seeks to answer two critical questions that will pave the way to achieving this mutually-beneficial goal. First, are the Japanese in a position to transform their Self Defense Force (SDF) into one that is able to viably defend itself with lesser U.S. military support? Second, will a revision of the U.S.-Japanese security agreement that reduces U.S. security involvement yield significant benefits for U.S. interests domestically and in Asia at large? Using the Sino-Japanese territorial dispute over the Senkaku Islands as a case study, this paper demonstrates Japan's willingness and ability to be a viable and independent military power in East Asia, despite reductions in U.S. military support. Furthermore, the Sino-Japanese territorial dispute serves as a prime opportunity for the U.S. to revisit its commitments to Japan. The reduction of U.S. security commitments to Japan will prove to be beneficial for both parties as well.

To better understand the gravity of the situation that Japan and China find themselves in, it is important to understand the background behind the territorial dispute over the Senkaku Islands. Territorial disputes are not unusual in Asia; in fact Japan is engaged in similar disputes with Russia and the Republic of Korea.<sup>1</sup> Armed conflicts of the past have left numerous unresolved territorial claims in the region that persist to this day. However, given the aggressive approaches that both China and Japan have pursued, the

<sup>1</sup> Koo, Min Gyo. "The Senkaku/Diaoyu Dispute and Sino-Japanese political-economic relations: cold politics and ho economics," *The Pacific Review*, 22.2 (May 2009): 207. JSTOR. <http://www.jstor.org>

Senkaku Islands territorial dispute is an important one to study. The small strip of islands is located in the East China Sea, about 125 miles northeast of Taiwan and 185 miles southeast of Japan. Japan claimed ownership of the islands in 1879 and incorporated them as part of Okinawa by virtue of a cabinet decision.<sup>2</sup> After World War II, Japan signed the Treaty of San Francisco, which was an effort that the U.S. spearheaded. Among the provisions that were adopted included U.S. control of the Senkaku Islands. The treaty, which was also signed by representatives from South American and European countries, addressed Japan's territorial claims in Asia and forced Japan to yield its ownership over several islands, including Taiwan. Japan acquired many of these territories from past territorial conquests over its neighbors.<sup>3</sup>

In a continued effort to elevate Japan as an equal partner and to symbolize America's affirmation of Japan's claims over the disputed territories, the U.S. transferred all of the Senkaku islands' administrative rights to the Japanese government. Successive presidential administrations, from Dwight Eisenhower to Lyndon Baines Johnson, affirmed Japanese sovereignty over the Senkaku islands. It was not until Richard Nixon took office that the U.S. position on the Senkaku Islands' ownership changed. The Nixon administration adopted a policy that took no official position on the claims of sovereignty, essentially leaving the dispute between China and Japan.<sup>4</sup>

The U.S. finds itself in the middle of this territorial dispute, given its history of involvement with the Senkaku islands and its security alliance with Japan. While embracing the official U.S. position of neutrality in regional territorial disputes, the U.S. reaffirmed its security alliance and all the commitments that accompany it. Secretary of State Hillary Clinton made it clear that the U.S. is committed to fulfilling its obligations from the 1960 security agreement it brokered with Japan. Both sides have offered compelling arguments for laying claim to these islands, which severely complicates the situation. China's historical records dating back to the Ming Dynasty, which spanned from 1368-1644, repeatedly reference the Senkaku islands as part of the vast Chinese empire. However, the Chinese government had not actively sought sovereignty over the Senkaku islands until the 1970s, after reports indicated that the islands may contain billions of barrels of oil. After Japan defeated China in the infamous 1895 war, China surrendered Taiwan and its island territories, which include Senkaku to Japan under the Treaty of Shimonoseki.<sup>5</sup>

2 Ozaki, Shigeyoshi. "Territorial Issues on the East China Sea: A Japanese Position." *Journal of East Asia and International Law*, 3.1 (Spring 2010): 151. EBSCO. Accessed 9 December 2012. <http://web.ebscohost.com>

3 Text of the San Francisco Treaty, 1951. United Nations Treaties Series. Accessed 7 November 2012. <http://treaties.un.org/doc/Publication/UNTS/Volume%20136/volume-136-I-1832-English.pdf>

4 Hara, Yoshihisa. "The Significance of the U.S.-Japan Security System to Japan: The Historical Background." *Peace & Change*. 12.3/4 (July 1987): 377. EBSCO. <http://web.ebscohost.com>

5 Downs, Erica Strecker and Phillip C. Saunders, "Legitimacy and the Limits of Nationalism: China and the Diaoyu Islands," *International Security*, 23.3 (Winter 1998-1999): 125. Accessed 7 November 2012. [www.jstor.org](http://www.jstor.org)

Before Japan's defeat, the U.S., Great Britain, and China met in Cairo, Egypt to discuss how Japan would move forward after its defeat and issued a declaration. Among the provisions of the Cairo declaration, Japan was forced to cede all the previously-owned Chinese territories that it claimed.<sup>6</sup> When Japan surrendered after its defeat in World War II, it signed the Potsdam Declaration, which called for the execution of the Cairo Declaration's provisions.<sup>7</sup> Thus, the Chinese argue that the Senkaku Islands should have been returned to China. This territorial dispute--and the placement of the U.S. in the middle—are occurring at a very inconvenient time for officials in Washington. The relationship between the U.S. and China are frigid at best given the tensions brought about by both nations' growing concerns over the security threats that both pose. America's perceived involvement in this regional dispute does not help those tensions and will pose a challenge to America's policies in Asia.

Given the immense challenges that the U.S. faces with its involvement in the Sino-Japanese dispute and other international involvements, in addition to numerous pressing domestic issues, this is undoubtedly a pivotal time in U.S. history. Domestically, the U.S. continues to be paralyzed with high unemployment, stagnant economic growth, a giant national debt, and leaders whose bitter partisanship has disabled them from producing meaningful solutions to the grave problems facing the country. Internationally, the U.S. is ending its 10-year military campaigns in Iraq and Afghanistan while struggling to define its role in a world filled with regional conflicts. In general, the majority of Americans have grown weary of U.S. involvement in military operations abroad.<sup>8</sup> They demand a renewed focus on the challenges faced at home that have been overshadowed by U.S. international commitments.<sup>9</sup>

Due to policymakers' inability to integrate the importance of economic and financial stability into national security policies, the U.S. finds itself less effective in conducting diplomacy and maintaining a sound and stable domestic system. Cognizant of the fact that the U.S. would one day become a global power, America's forefathers warned against strong military involvement in world affairs, and instead advocated economic partnerships as a means to create and maintain power in the international community. Alexander Hamilton, the first secretary of the Treasury, urged that the new nation "must cherish credit as much as security."<sup>10</sup> President George Washington, in his 1796 farewell

6 Cairo Communique. National Diet Library, Japan. Accessed 7 November 2012. [http://www.ndl.go.jp/constitution/e/shiryō/01/002\\_46/002\\_46tx.html](http://www.ndl.go.jp/constitution/e/shiryō/01/002_46/002_46tx.html)

7 Potsdam Declaration. National Diet Library, Japan. Accessed 7 November 2012. <http://www.ndl.go.jp/constitution/e/etc/c06.html>

8 Montopoli, Brian. "Poll: Americans' views on foreign policy." CBS News, 11 November 2011. Accessed 9 December 2012. [http://www.cbsnews.com/8301-503544\\_162-57323511-503544/poll-americans-views-on-foreign-policy/](http://www.cbsnews.com/8301-503544_162-57323511-503544/poll-americans-views-on-foreign-policy/)

9 "Importance of Issues: Economy Continues to Top List of Most Important Issues." Rasmussen Reports. 21 September 2012. Accessed 9 December 2012. [http://www.rasmussenreports.com/public\\_content/politics/mood\\_of\\_america/importance\\_of\\_issues](http://www.rasmussenreports.com/public_content/politics/mood_of_america/importance_of_issues)

10 Zoellick, Robert. "The Currency of Power." Foreign Policy. November 2012. Accessed 9

address, said the following: “The great rule of conduct for us in regard to foreign relations is, in extending out commercial relations to have them with as little political connection as possible.”<sup>11</sup> While it is clear that the U.S. has justifiably shifted greatly from its founding principles given the challenges it faced since its inception in 1776, it is important to restore the delicate balance between economic and military strength. Today, the U.S. military is the most powerful in the world. No other military comes close in size, capability, and power.

The same cannot be said about the U.S. economy and its domestic institutions. Due to a recession in 2007 that caused a global economic recession, the U.S. government continues to address the thousands of Americans still without employment, a struggling housing market, and trying to maintain the solvency of its domestic programs. Consider these figures: 20% of the national budget goes toward defense and international assistance, while only 2% goes toward education, 3% for transportation and infrastructure, and 6% toward the retirement of the national debt.<sup>12</sup> A survey conducted in 2012 found that the majority of Americans supported reducing the defense budget by \$100 billion, or 18%.<sup>13</sup> While that figure may be considered unrealistic, that survey should send a message to policymakers that Americans demand a renewed focus on fixing domestic problems before its government budget money concerning the affairs of other nations. The U.S. cannot continue to embrace irresponsible fiscal policies in exchange for robust military capabilities, as its future as a global power is in danger.

As the principal global power, the U.S. enjoys many strong alliances around the world. But perhaps among the most cherished relationships is the one it shares with Japan. In 2010, U.S. and Japanese leaders celebrated a historic milestone in its special relationship when they commemorated the 50th anniversary of the U.S.-Japanese security agreement.<sup>14</sup> It is an alliance that has been sustained through numerous developments in Asia which include the Cold War, the Vietnam War, and the rise of China and North Korea. America’s former envoy to Tokyo, Michael Mansfield, described the U.S.-Japanese relationship as “the most important bilateral relationship--bar none.”<sup>15</sup> Ambassador Mansfield, who

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December 2012. [http://www.foreignpolicy.com/articles/2012/10/08/the\\_currency\\_of\\_power](http://www.foreignpolicy.com/articles/2012/10/08/the_currency_of_power)

11 Legro, Jeffrey W. *Rethinking the World*, 55.

12 Plumer, Brad. “America’s Staggering Defense Budget, in charts,” *The Washington Post*, January 7, 2013. Accessed January 9, 2013. <http://www.washingtonpost.com/blogs/wonkblog/wp/2013/01/07/everything-chuck-hagel-needs-to-know-about-the-defense-budget-in-charts/>

13 Khimm, Suzy. “Americans want to slash defense spending, but Washington isn’t listening,” *The Washington Post*, May 11, 2012. Accessed January 9, 2013. [http://www.washingtonpost.com/blogs/wonkblog/post/americans-want-to-slash-defense-spending-but-washington-isnt-listening/2012/05/10/gIQAyAzQGU\\_blog.html](http://www.washingtonpost.com/blogs/wonkblog/post/americans-want-to-slash-defense-spending-but-washington-isnt-listening/2012/05/10/gIQAyAzQGU_blog.html)

14 Press Release: “Statement by the President on the 50th Anniversary of the Signing of the U.S.-Japan Treaty of Mutual Cooperation and Security.” Office of the White House Press Secretary. 19 January 2010. Accessed 9 December 2012. <http://www.whitehouse.gov/the-press-office/statement-president-50th-anniversary-signing-us-japan-treaty-mutual-cooperation-security>

15 Dineen, Gerald P. and Thomas Arrison. “U.S.-Japan Cooperation: Time for Symmetry,” *Issues in Science & Technology*. 12.2 (Winter 1995): 55. EBSCO. Accessed 9 December 2012. <http://web.ebscohost.com>

remains the longest serving ambassador to Japan and a former Senate Majority Leader, very effectively described that relationship. The U.S.-Japanese alliance is the longest alliance among major world powers since the origin of the modern nation-state with the Peace of Westphalia in 1648.<sup>16</sup> Because of this security alliance, the U.S. has been able to maintain and expand its security presence in East Asia to complement its interests in the region. While there is no question that this alliance must be cultivated and maintained, it is important to analyze the best way the U.S. can maintain such an alliance while ensuring strong economic and security relationships with the rest of the region.

The history behind this alliance is an important one to study and appreciate as it provides valuable reasons as to why the American government remains steadfastly committed to Japan. After the U.S. defeated Japan in World War II by dropping two nuclear bombs on Hiroshima and Nagasaki, both nations envisioned a Japan that would embrace peace and regional stability. This shared vision gave birth to the U.S.-Japanese alliance that exists today. When the U.S. gained control of the Japanese archipelago, it oversaw the re-organization of the national government. At the helm of this masterful endeavor was General Douglas MacArthur, the supreme allied commander in the Pacific. He was actively involved in the writing of the new Japanese constitution. With the advice and consent of Washington policymakers, he single-handedly crafted Japan's framework for governance, which reflects many ideals of the American constitution. Among the noteworthy transformations include the stripping of the emperor's prestigious role as a divine sovereign and turning it into a ceremonial role with limited influence. Embracing the new peaceful vision for Japan, the new constitution adopted provisions that limited Japan's ability to engage the world via its armed forces.<sup>17</sup> Japan maintains self-defense forces that protect the mainland and rely heavily on U.S. forces for security in accordance with the mutual security agreement.<sup>18</sup> The provision, outlined in Article 9 of the Japanese Constitution, envisioned a peaceful Japan that would divorce itself from its imperialist past and embrace a new role as a pacifist state in the global community. Despite the constitutional restraints on its armed forces, the Japanese people have recognized the real danger that its adversaries pose. The Japanese evolution from the position they took after their resounding defeat in World War II is due to the reality that times have changed and actors around them have become stronger militarily and economically. In response to these threats, Japan has adopted a more liberal interpretation of its constitution to enable its defense forces to be prepared to defend the nation from ground, air, sea, and cyber-

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16 Packard, George R. "Some Thoughts on the 50th Anniversary of the US-Japan Security Treaty," *Asia-Pacific Review*, 17.2 (2010): 1. EBSCO. Accessed 9 December 2012. <http://web.esbcohost.com>

17 "The Constitution and the Right to Self-Defense." Japanese Ministry of Defense. Accessed 4 December 2012. [http://www.mod.go.jp/e/publ/w\\_paper/pdf/2012/18\\_Part2\\_Chapter1\\_Sec2.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2012/18_Part2_Chapter1_Sec2.pdf) Parisi, Lynn. "Lessons on the Japanese Constitution." Stanford University. November 2002. Accessed 4 December 2012. <http://iis-db.stanford.edu/docs/131/const.pdf>

18 Japan and its Military. Council on Foreign Relations. 13 April 2006. Accessed 7 November 2012. <http://www.cfr.org/japan/japan-its-military/p10439#p5>

attacks.<sup>19</sup>

The 1960 U.S.-Japan Mutual Security Cooperation Treaty serves as the cornerstone on the U.S. Policy in East Asia while simultaneously serving as an integral part of Japan's defense framework. Originally signed in 1951, but given minor alterations in 1960, the security agreement has enabled the U.S. to permanently cement its presence in East Asia through its military installations in Japan.<sup>20</sup> In exchange for the permission to install U.S. military bases on Japanese soil, the U.S. has pledged significant military support to Japan's SDF. The provision of most interest in this paper is in Section V of the security agreement that states: "Each Party recognizes that an armed attack against either Party in the territories under the administration of Japan would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional provisions and processes."<sup>21</sup>

Notwithstanding the security blanket that the U.S. provides, Japan's military has dramatically transformed in a relatively short span of 50 years. The 1960 agreement was signed at a time when Japan's defense and security forces were lacking in technology, manpower, and resources. Since the Cold War, the Japanese armed forces have transformed their defense capabilities from self-defense and peacekeeping to strong and respected security forces. From 2000 to 2010, East Asian nations' military expenditures grew 69% and China's grew by 189%.<sup>22</sup> In Japan alone, its defense spending saw a \$10 billion increase in a ten-year span.<sup>23</sup> Japan's armed forces have grown to become the third largest in the world according to the NATO formula, which refers to a nation's total share and contribution to the funding of NATO. If one were to base their determination of Japan's security abilities based on its defense expenditures, it would not be unfair to say that Japan is on its way to create an independent military role in the region, which is welcomed by most nations in the region, while posing some concerns to some.<sup>24</sup> Further highlighting Japan's financial commitment to its security, Japan stands as the largest contributor to the Defense Department's Allied Contribution to the Common Defense program, which includes countries where the U.S. has military installations. It contributes \$4.41 billion, or

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19 "The Basis of Defense Policy." Japanese Ministry of Defense. Accessed 4 December 2012. [http://www.mod.go.jp/e/publ/w\\_paper/pdf/2012/19\\_Part2\\_Chapter1\\_Sec3.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2012/19_Part2_Chapter1_Sec3.pdf)

20 Hara, Yoshihisa. "The Significance of the U.S.-Japan Security System to Japan: The Historical Background." *Peace & Change*. 12.3/4 (July 1987): 378. EBSCO. <http://web.ebscohost.com>

21 Japan-U.S. Security Treaty. Ministry of Foreign Affairs of Japan. Accessed 7 November 2012. <http://www.mofa.go.jp/region/n-america/us/q&a/ref/1.html>

22 Friedrichs, Jorg, "East Asian Regional Security," *Asian Survey*, 52.4 (July/August 2012):758. [www.jstor.org](http://www.jstor.org)

23 Hofbauer, Joachim, et al. "Asian Defense Spending: 2010-2011." Center for Strategic International Studies, October 2012. Accessed 12 December 2012. [http://csis.org/files/publication/121005\\_Berteau\\_AsianDefenseSpending\\_Web.pdf](http://csis.org/files/publication/121005_Berteau_AsianDefenseSpending_Web.pdf)

24 Akaha, Tsuneo, "Japan's Comprehensive Security Policy - A New East Asian Environment," *Asian Survey*, 31.4 (April 1991): 333. [www.jstor.org](http://www.jstor.org)

74.5% of U.S. stationing costs.<sup>25</sup>

A keen analysis of Japan's self-defense forces enables scholars and policymakers to understand its capabilities and its prospect to becoming an independent military entity that does not require significant U.S. military support. The Japanese self-defense forces wield greater advantage in terms of defense capabilities--especially in air and maritime--in that theirs are more modernized, equipped, and able to engage in military conflict than most of the nations in Asia.<sup>26</sup> Its self-defense capabilities mirror that of a military power capable of conducting operations to safeguard their country. Among their capabilities include the ability to provide strong defense via air and sea within 1,000 nautical miles of mainland Japan.<sup>27</sup> A review of Japan's FY2013 Defense Budget reveals the steps that the Japanese government continues to take to bolster its security. Japan is expanding its security capabilities via several technologically significant acquisitions—missiles, fighter jets, cyber security protection, and destroyers--showcasing Japan's ability to defend its borders.<sup>28</sup> With the nation devoting \$60 billion to its defense spending, it dwarfs major global powers like the United Kingdom, France, and Russia, and is the second highest defense budget in Asia (China is first).<sup>29</sup> While the Japanese government downplays its military capabilities, a thorough review of its military prowess reveals a nation that has prepared itself well for the threats that China and other sources pose to its security.

The Japan of today—armed with strong military capabilities and its role as a key global player in economic affairs—would have been hard to imagine as its government began to rebuild their nation. As previously mentioned, Japan adopted a new identity which embraced pacifism and harmony in the region and across the globe. This was a pivotal and transformational event in its history. A proud people and a revered emperor, whose bloody past included territorial conquests and wars that showcased its military might, was forced to yield its power and ambitions after a bruising defeat. Indeed, the U.S. and other countries did not want Japan to have the capabilities to retransform itself into its former glory, hence why General MacArthur included the Article 9 provision into the Constitution. However, Japan has proven itself to be a consistent partner on regional security and it is unlikely that Japan will return to its former identity given the prestige and acclaim that it currently enjoys as a global power.

It would be appropriate for Japanese policymakers to seize this opportunity to examine their need of strong U.S. military presence for their security. Recognizing the

25 Yoda, Tatsuro, "Japan's Host Nation Supports US-Japan Security," *Asian Survey*, 46.6 (November/December 2006): 942. [www.jstor.org](http://www.jstor.org)

26 Song, Young-sun, "Prospect for U.S. Japan Security Cooperation," *Asian Survey*, 35.12 (December 1995):1096. [www.jstor.org](http://www.jstor.org)

27 "Report of Allied Contributions to the Common Defense." U.S. Defense Department. May 1992. Accessed 4 December 2012. [http://www.dod.mil/pubs/foi/administration\\_and\\_Management/other/447.pdf](http://www.dod.mil/pubs/foi/administration_and_Management/other/447.pdf)

28 FY2013 Defense Budget Request. Japanese Ministry of Defense. Accessed 4 December 2012. [http://www.mod.go.jp/e/d\\_budget/pdf/241107.pdf](http://www.mod.go.jp/e/d_budget/pdf/241107.pdf)

29 Mizokami, Kyle, "Japan's Defense Spending Just Over 1% of the GDP." *New Pacific Institute*. 24 October 2011. Accessed 4 December 2012. <http://jsw.newpacificinstitute.org/?p=8558>

fact that Japan is and will most likely remain a global power, policymakers in Washington have made it explicitly clear that they believe Japan should take greater ownership and responsibility for their defense.<sup>30</sup> U.S. policymakers realize that it is long overdue for Japan to take more responsibility for its security. Domestic political pressures, combined with the fiscal challenges it faces are serving to increase the possibility of an altered security agreement with Japan, despite a resolute commitment to the valued alliance.

While it has traditionally been hesitant to alter its security relationship with the U.S., Japan finds itself in an “agonizing soul-searching” according to Yuichi Hosoya, an international relations professor at Tokyo’s Keio University.<sup>31</sup> Indeed, a March 2012 poll conducted by a Japanese firm found that 32% of Japanese citizens favored alterations to Article 9 of the Japanese constitution, which deals with the restraints on its military force. Given situations that are threatening to Japanese security, 45% of citizens favor permitting officials to interpret Article 9.<sup>32</sup> While the support for revising the constitutional provisions pertaining to Japan’s security forces is modest, it is a transformation born out of a constructivist realization that Japan must take a more proactive role in its own defense. When the original 1951 security agreement was signed, the establishment of a pacifist and peaceful state of Japan was widely supported by the population.<sup>33</sup>

The presence of Japan’s powerful armed forces compels policymakers in Tokyo and Washington to re-evaluate the need for heavy American military presence in Japan, with specific focus in Okinawa. Before the mutual security agreement, Japan had never allowed foreign troops to be stationed on their soil. Thanks to the U.S.-Japanese security agreement, Japan was forced to accept the indefinite stationing of close to 100,000 American troops, civilian employees, and dependents at some 85 facilities in a nation that is smaller than the state of California. Some 75% of the U.S. forces are based on the small island of Okinawa, in the Ryukyu Island chain.<sup>34</sup> Kurt M. Campbell, the assistant secretary of state for East Asia and Pacific Affairs, opined that the U.S. and Japan have never formally discussed the future of the mutual security agreement. He agrees that such discussions need to occur. “This is precisely what is needed to help ensure future collaboration and reduce wasteful redundancies,” Campbell wrote.<sup>35</sup>

Such discussions are crucial for both the U.S. and Japan to maintain their respective security interests in the region. These discussions must include meaningful evaluations of

30 “Article 9 and the U.S.-Japan Security Treaty.” Asia for Educators, Columbia University, 2009. Accessed 9 December 2012. [http://afe.easia.columbia.edu/special/japan\\_1950\\_usjapan.htm](http://afe.easia.columbia.edu/special/japan_1950_usjapan.htm)

31 Fackler, Martin. “Japan Builds Up Military,” New York Times, 28 February 2011. Accessed 9 December 2012. <http://www.nytimes.com/2011/03/01/world/asia/01japan.html?pagewanted=all>

32 “Poll: 43% of voters support making amendments to Constitution.” The Daily Yomiuri, 15 September 2011. Accessed 9 December 2012. <http://www.yomiuri.co.jp/dy/national/T110914006038.htm>

33 Meyer, 231.

34 Packard, 2.

35 Campbell, Kurt M. “Energizing the US-Japan Security Partnership,” Washington Quarterly, 23.4 (Autumn 2010): 131. EBSCO. Accessed 9 December 2012. <http://web.ebscohost.com>

the security alliance from both parties' perspectives and yield proposals that are responsible and beneficial to both countries' fiscal and security interests. Such collaboration requires policymakers of both nations to examine each other's responsibilities and Japan must emerge from these discussions as a party that will embrace more responsibilities in this alliance. Given Japan's apparent desire to attain a greater role in its defense, the U.S. should encourage and welcome such a great role. The U.S. should continue to maintain military presence in the region--especially given China and North Korea's continued security threats--but such presence should be limited, with the Japanese government shouldering most of the responsibilities for their own defense.

While Japan's defense capabilities have been thoroughly discussed, it is also important to highlight and appreciate the need for a diplomatic solution to the impending territorial dispute. Indeed, the recent heightened tensions between China and Japan regarding this conflict has alarmed Tokyo due to the uncertainty about the future. However, Japan is no longer an impotent country that is unable to be a strong player on the international stage. Past diplomatic relations between China and Japan offer glimmers of hope for a diplomatic resolution to this dispute. This argument primarily embraces liberal concepts; reinforcing the belief that trade is a stimulant that prevents states from going to war.<sup>36</sup>

Many years ago, China and Japan recognized each other's potential as regional hegemons. Therefore, they sought to establish and maintain lasting relationships with each other that would be sustained in the future. Their strategic partnerships have enabled them to prevent each other from making major strides in their respective quests for influence in the region. A public poll conducted in 1997 found that only 9% of the Chinese viewed the Japanese people as "friendly."<sup>37</sup> A major reason for this resentment dates back to the Japanese invasion of mainland China in 1937, which killed millions of Chinese and ravaged towns and villages.<sup>38</sup> Subsequent conflicts between the two neighbors, specifically relating to security concerns that both pose to each other, are also major contributors to this unease. Despite the unflattering views that their respective peoples have for each other, both parties recognize that economic and trade relations are necessary to their economic success given their undeniable influence in the Asian region. After all, their borders are separated by a few hundred miles and both continue to emerge as regional and global powers.

Japan and China have taken productive steps to strengthen their interdependence. To fortify their strategic partnerships, China and Japan have signed long-term trade agreements that began in 1978 and have experienced relative success.<sup>39</sup> To that end, Japan's trade relations with China heavily expanded during the 1990s. The Japanese total

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36 Russett, Bruce. Dunne, Timothy, et al., ed. "Liberalism." 102 *International Relations Theories: Discipline and Diversity*, 2nd ed. 2010: Oxford University Press.

37 Johnstone, 1069

38 Johnstone, Christopher B., "Japan's China Policy," *Asian Survey*, 38.11 (November 1998): 1068. Accessed 7 November 2012. [www.jstor.org](http://www.jstor.org)

39 Whiting, Allen S., "China and Japan: Politics versus Economics," *Annals of the American Academy of Political and Social Science*, 519 (January 1992): 42. Accessed 7 November 2012. [www.jstor.org](http://www.jstor.org)

trade with its communist neighbor went from \$18 billion in 1990 to \$64 billion in 1997, and has dramatically increased to \$161 billion in 2012.<sup>40</sup> Indeed, both parties recognize each other's contributions to their economies given the fact that China produces significant amounts of raw supplies and Japan is technologically advanced.<sup>41</sup> The interdependence both sides have built is regarded as mutually beneficial. Thus, strained relations with one party results in harmful consequences for the other. Tokyo officials are cognizant of the fact that China is too large--geographically, geopolitically, militarily, and economically--to be ignored. Japan has also been an opponent of U.S. sanctions on China that indirectly harms Japan's economic and trade relations. This opposition also complicates U.S.-Japan relations.<sup>42</sup> In the 1970s, Japan and China agreed to resolve the Senkaku dispute at a later date in order to establish meaningful diplomatic relationships with each other. In 2008, Japan and China reached an agreement which seemed to signal the start of meaningful negotiations over the East Asian territorial disputes.<sup>43</sup> Japan and China have demonstrated the ability to work together and resolve its underlying differences for their mutual benefit.

It would not be in the best interest of China to engage militarily with Japan. Not only would it strain the economic and trade partnerships that both agree are important to their economies and security, but China's international relationships--which they have worked hard to solidify and maintain--would also be negatively affected. If anything, China wants to see this dispute resolved diplomatically instead of militarily. Japan is depending on the shield of security that the U.S. armed forces stationed in Okinawa and elsewhere provide as a means to deter military action from China. Japan needs to take more proactive steps in fostering diplomatic solutions to this conflict, which will greatly benefit Sino-Japanese diplomatic relations. Perhaps if Secretary Clinton were more ambiguous about the U.S. commitment to the treaty, Tokyo officials would have understandably been very apprehensive about their security, and would have forced Japanese leaders to be more inclined to embrace a diplomatic resolution to this conflict.<sup>44</sup>

The second question that this paper seeks to determine is whether or not a lessening in U.S. military involvement in Japan will yield beneficial results for American interests in Asia at large. Such a reduction will allow the U.S. to focus on building meaningful economic partnerships with East Asia and the greater Asian community while simultaneously allowing American policymakers to begin to address the fiscal predicaments at home. Without question, the U.S. has strong economic interests in the region that will prove to be beneficial for its domestic and international policies. Secretary Clinton, in a 2010 speech in Honolulu, remarked the following: "Much of the history of the 21st century will be written

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40 Johnstone, 1072

41 Whiting, 41

42 Whiting, 43

43 Wu, Hui and Dan Zhang. "Territorial Issues on the East China Sea: A Chinese Position." *Journal of East Asia and International Law*, 3.1 (Spring 2010): 138. EBSCO. Accessed 9 December 2012. <http://web.ebscohost.com>

44 Curtis, Gerald. "Charting a Future Course for US-Japan Relations." *Asia-Pacific Review*, 18.1 (2011): 3. EBSCO. Accessed 9 December 2012. <http://web.ebscohost.com>

in Asia. This region will see the most transformative economic growth on the planet. Most of its cities will become global centers of commerce and culture.”<sup>45</sup> Due in part to America’s unwise spending habits, Asian nations have become America’s largest foreign creditors, with its central banks owning more than \$2 trillion of U.S. debt. Furthermore, the commerce coming from Asia has increased 50% and America grants more visas and processes more legal immigrants from the Pacific than from those in the Atlantic.<sup>46</sup> This underscores the importance of Asia’s role to America’s domestic interests. In October 2012, the U.S. came second to China’s global lead in GDP growth, with India, Japan, Russia, and Indonesia -- all Asian nations -- following the U.S.<sup>47</sup> American companies have utilized Asia’s workforce, which is educated and more efficient for lower wages. This has severely paralyzed the U.S. job market, especially in the manufacturing industries, with the U.S. losing more than 2.7 million jobs to China over the past ten years.<sup>48</sup>

The U.S. is in prime position to re-focus its efforts in Asia from security issues to economic interests. Current trade and economic practices in Asia highlight the opportunities for stronger partnerships in the future. For example, trade agreements with Asian nations have been and continue to be top priorities for policymakers.<sup>49</sup> The Asian market is a prospering one and is expected to continue to grow beyond its continental borders. Many American corporations have recognized this, and have taken advantage of opportunities to join this market. Undersecretary of State for Economic, Energy, and Agricultural Affairs Robert D. Hormats observed the following during an economic conference in Los Angeles, “Well-constructed international economic policy that boosts exports and attracts foreign investment and supports the interests of American companies is necessary to strengthen our domestic economy.”<sup>50</sup> Secretary Hormats noted that about 4.6% of American private sector workers are employed by multinational corporations that invest in the U.S., roughly 2 million of which are manufacturing jobs. Viable and long-lasting economic partnerships with Asian entities—both private and public—are viewed as vital for America’s economic prosperity.<sup>51</sup> Maintaining its security alliance with Japan will allow the U.S. to maintain its cherished role as a major player in Asian-Pacific affairs.

Among the economic relationships that the U.S. can foster with a renewed focus in

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45 Remarks by Secretary of State Hillary Clinton, October 28, 2010. U.S. State Department. <http://www.state.gov/secretary/rm/2010/10/150141.htm>

46 Dittmer, Lowell, “Assessing American Asia Policy,” *Asian Survey*, 47.4 (July/August 2007): 521. Accessed 7 November 2012. [www.jstor.org](http://www.jstor.org)

47 “FOCUS: World GDP.” *The Economist*, 9 October 2012. Accessed 7 November 2012. <http://www.economist.com/blogs/graphicdetail/2012/10/focus-2>

48 Scott, Robert E., “The China toll,” Economic Policy Institute, 23 August 2012. Accessed 7 November 2012. <http://www.epi.org/publication/bp345-china-growing-trade-deficit-cost/>

49 Testimony of Assistant Secretary of State Kurt M. Campbell, House Foreign Affairs Committee, March 31, 2011. U.S. State Department. Accessed 3 December 2011. <http://www.state.gov/p/eap/rls/rm/2011/03/159450.htm>

50 Remarks by Robert D. Hormats, Undersecretary of State, September 13, 2011. Accessed 3 December 2012. <http://www.state.gov/e/rls/rmk/2011/172307.htm>

51 Remarks by Secretary Hormats, September 13, 2011

East Asia is a meaningful and lasting one with Japan. Surprisingly, the U.S. and Japan do not have permanent trade agreements similar to that with Mexico and Canada. In November 2011, Prime Minister Noda announced Japan's intentions of entering the Trans-Pacific Partnership (TPP). Once fully realized, the TPP will account for 40% of world trade and will include at least 11 nations across the Atlantic and Pacific.<sup>52</sup> The TPP is composed of 9 Asian nations whose core mission is to enhance trade and investment, economic innovation, and support the creation and retention of jobs. The Obama administration projects that the TPP will greatly benefit the U.S., as it will give American companies greater opportunities to export goods and services to fast-growing markets in the Asian continent.<sup>53</sup>

Suffice it to say, Japan and the U.S. have not had as friendly a history when it comes to trade as it has with security relations. To provide some context, Japan exported \$5 billion and imported \$5 billion of U.S. goods in 1970.<sup>54</sup> Today, the trade deficit is greater. In 2011, Japan exported \$154 billion while only importing \$113 billion, which yields a difference of \$40 billion.<sup>55</sup> It is the hope that a renewed focus on economic partnerships, especially in Japan's technology markets, will strengthen both nations' economies and long-lasting alliance. This discrepancy in U.S.-Japan trade relations has been a major problem not only with both nations' diplomatic relationship, but also harms the U.S. economy at a time when the American people continue to suffer from the current economic depression. U.S. officials often call for fair trading practices in the international markets, and it is troubling that one of its strongest allies is unable to adhere to such basic principles that prove to be mutually beneficial for both parties involved.

Drawing back security obligations to Japan will also chart a friendlier course with China. While China and the U.S. have maintained a stable economic relationship, both nations' foreign policies are complicated by the latter's human rights stances and the security dilemma that both experience given their respective military capabilities. China has not been particularly happy with a strong U.S. presence in East Asia,<sup>56</sup> and the lessening of military presence in Japan could signal a willingness of the U.S. to engage China in a more meaningful dialogue. As the second largest economy in the world, China cannot and should not be ignored or taken for granted. In 1990, China's GDP was \$390 billion and in 2010 it rose to \$5 trillion. It has become the leading trade partner for the U.S., Japan, South Korea,

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52 Armitage, Richard and Joseph S. Nye. "The U.S.-Japan Alliance: Anchoring Stability in Asia." Center for Strategic and International Studies, August 2012. Accessed 9 December 2012. [http://csis.org/files/publication/120810\\_Armitage\\_USJapanAlliance\\_Web.pdf](http://csis.org/files/publication/120810_Armitage_USJapanAlliance_Web.pdf)

53 "The U.S. in the Trans-Pacific Partnership." Office of the U.S. Trade Representative. Accessed 12 December 2012. <http://www.ustr.gov/about-us/press-office/fact-sheets/2011/november/united-states-trans-pacific-partnership>

54 McClain, James L. (2002) *Japan: A Modern History*, 610. New York: W.W. Norton and Company.

55 "Japan." Office of the U.S. Trade Representative. Accessed 12 December 2012. <http://www.ustr.gov/countries-regions/japan-korea-apec/japan>

56 "U.S. presence in Asia-Pacific will raise tensions: Chinese media." *Economic Times*, 3 June 2012. Accessed 12 December 2012. [http://articles.economictimes.indiatimes.com/2012-06-03/news/32006534\\_1\\_asia-pacific-chinese-media-naval-fleet](http://articles.economictimes.indiatimes.com/2012-06-03/news/32006534_1_asia-pacific-chinese-media-naval-fleet)

ASEAN countries, and the European Union.<sup>57</sup> The U.S.-China economic partnership is one that must continue to be cultivated.

The U.S. must take more proactive steps to ensure better relations with China and it must do so by providing certain assurances that its intentions are good and genuine. The reduction of U.S. military forces in Japan inherently sends a message to Beijing that it is willing to share the power in East Asia. The U.S. must do so, or else it risks complicating its foreign policy interests in Asia. China will continue to rise--both economically and militarily--with or without U.S. support. Thus, the U.S. must convince China that it does not seek to contain its rise, but instead it endeavors to recognize and respect China's role as a global hegemon and remain resolute at fostering peaceful relationships with its people. Subsequently, Japan must be reassured that its security alliance with the U.S. remains strong, but significant obligations for their own defense must be shouldered. Japan must then reassure China that its economic and security ambitions are meant to secure Japanese interest in Asia, and not to counteract China. The establishment of such friendly relations among the three most powerful countries in East Asia will contribute to the balance of power in the region, thus yielding peace and stability.<sup>58</sup>

Another benefit to the reduction of security commitments to Japan is the opportunity for American policymakers to begin a thoughtful discussion about the fiscal challenges that plague the country. Domestically, the calls to reduce military involvement in foreign nations have garnered support from both sides of the aisle.<sup>59</sup> An unlikely powerful duo partnered together to shed some light on the need for meaningful cuts to the Defense Department, particularly in its budget expenditures for foreign operations. U.S. Representatives Barney Frank (D-MA), the liberal former chairman of the Financial Services Committee, and Ron Paul (R-TX), a conservative Tea Party favorite and former Republican presidential candidate, wrote a letter to President Obama and party leaders in Congress and called for the reduction of foreign commitments in Defense Department spending. The two members of Congress opined:

As during Cold War, we largely provide for their defense, leaving them free to take funds that otherwise would have gone into their militaries and redirecting them towards growing their own economies – in many cases for state-subsidized industries that gave them an unfair competitive advantage over our own.... The role of America as the worldwide first responder was a necessary one sixty years ago. Today, our allies can – and should – bear the primary burden of defending their own nations and interests.<sup>60</sup>

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57 “U.S.-China Trade Statistics and China's World Trade Statistics.” U.S. China Business Council. Accessed 12 December 2012. <https://www.uschina.org/statistics/tradetable.html>

58 Campbell, 130.

59 Bennett, John T. “Military spending balloons amid bipartisan calls for cuts.” *The Hill*, 31 May 2011. Accessed 12 December 2012. <http://thehill.com/homenews/house/164079-military-spending-balloons-amid-bipartisan-calls-for-cuts>

60 “House Members Ramp Up Efforts to Scale Back Military Commitments and Cut

Policymakers must execute greater restraint when exercising their fiduciary prerogatives when appropriating funds. Now more than ever, a fiscally-responsible mindset is the needed prescription to enable the U.S. to get its fiscal house in order and strengthen its interests abroad.

Alterations have already been made to U.S. troop presence in Japan, which provides a good starting point for analyzing the need for U.S. presence to adhere to the core principles of the security agreement and also to maintain U.S. interests in the region. In April 2012, both governments agreed to the reduction of U.S. forces in Okinawa, years after public polling in Japan found strong support for the reduction of U.S. presence in the region. The troops are being redeployed to Hawaii, Guam, and Australia, which lessens U.S. presence in East Asia while conforming to the Obama administration's Asia strategy.<sup>61</sup> Such strategic planning--with America's fiscal situations in mind--is vital to any responsible defense policy.

There have been strong voices from both side of the aisle who do not believe that such reductions will be beneficial to the U.S. interests in Asia and its partnership with Japan. In fact, some advocate strengthening the existing security alliance. Richard Armitage, the former deputy secretary of state in the Bush administration, and Joseph Nye, the former assistant defense secretary for international security affairs under the Clinton administration, published a report that calls for the need for greater security alliance with Japan as part of a renewed U.S. strategy in Asia.<sup>62</sup> Yet some of the suggestions that these two well-respected diplomats are proposing would continue Japanese dependence on U.S. security forces for their own defense. This is contrary to the direction in which the Japanese people and its government are moving.

There has also been bipartisan consensus in the U.S. Congress about the need to maintain a robust military presence in East Asia via U.S. military involvement in Japan. Senator John McCain, Republican of Arizona and his party's 2008 presidential candidate, said: "The Asia- Pacific region's growing role in the global distribution of power requires us to consistently review and update plans for the U.S. military's role in the region."<sup>63</sup> Congruently, Senator Jim Webb, Democrat of Virginia and a member of the Armed Services and Foreign Relations Committee said the following during an opening statement in a Spending." Office of U.S. Representative Ron Paul. Accessed 9 December 2012. [http://paul.house.gov/index.php?option=com\\_content&task=view&id=1875&Itemid=28](http://paul.house.gov/index.php?option=com_content&task=view&id=1875&Itemid=28)

61 Shanker, Thom. "U.S. to Cut Number of Marines on Okinawa," *New York Times*, 27 April 2012. Accessed 9 December 2012. <http://www.nytimes.com/2012/04/27/world/asia/united-states-to-cut-number-of-marines-on-okinawa.html>

62 Armitage, Richard and Joseph S. Nye. "The U.S.-Japanese Alliance: Getting Asia Right Through 2020." Center for Strategic and International Relations. February 2010. Accessed 9 December 2012. [http://csis.org/files/media/csis/pubs/070216\\_asia2020.pdf](http://csis.org/files/media/csis/pubs/070216_asia2020.pdf)

63 Press Release: "Senators Levin, McCain, Webb Call for Re-examination of Military Basing Plans in East Asia." Office of U.S. Senator John McCain, 11 May 2011. Accessed 12 December 2012. [http://www.mccain.senate.gov/public/index.cfm?FuseAction=PressOffice.PressReleases&ContentRecord\\_id=e00453cd-c883-65d2-f9c3-489463b38af1](http://www.mccain.senate.gov/public/index.cfm?FuseAction=PressOffice.PressReleases&ContentRecord_id=e00453cd-c883-65d2-f9c3-489463b38af1)

subcommittee hearing on U.S. Asia policy: “We cannot reengage properly in Asia without a strong alliance with Japan.” Senator Webb, who served as Navy secretary under the Reagan administration, has been adamant about the need for a strong military alliance with Japan and recently wrote a letter with Senator Carl Levin, a Michigan Democrat and chairman of the Armed Services Committee, questioning the decision of the Defense Department to relocate 9,000 Marines from Japan to Guam.<sup>64</sup> While Senators, McCain, Levin, and Webb remain strong proponents of a militarily-robust U.S.-Japan security alliance, the changing culture in Japan and the U.S. calls for the reconsideration of the level of commitment that the U.S. should bear.<sup>65</sup>

Like in most elections, the economy is a top priority for American voters, and this preceding election boldly reaffirmed that trend. President Barack Obama’s re-election yields a mandate that revolves around economic recovery via domestic and international investments and partnerships.<sup>66</sup> The President now faces the challenge of brokering an agreement with House Republicans to prevent the devastating cuts to domestic and defense spending. In 2012, President Obama announced that the U.S. will restructure its military and foreign policy strategy in Asia and has identified East Asia as critical to its interests.<sup>67</sup> As the U.S. begins to refocus its foreign policy in Asia, the Obama administration must be mindful of domestic needs.

National security and fiscal policy are inherently affected by the policies enacted for both issue areas. Admiral Michael Mullen (Ret.), who served as Chairman of the Joint Chiefs of Staff under the George W. Bush and Obama administrations, referred to America’s growing national debt as the greatest threat to national security.<sup>68</sup> The path to achieving economic recovery for the U.S. requires restructuring of U.S. domestic and international priorities. The looming \$14 trillion deficit<sup>69</sup> poses a real and dangerous threat to America’s standing in the world. There has been bipartisan support for the reduction of defense spending, but little has been done by either side to accomplish it. It would be false to say that defense spending is the main cause of America’s ballooning national debt, but it

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64 Press Release: “Proper Reengagement in Asia Requires a Strong Alliance with Japan, a Strong Relationship with the People of Guam.” Office of U.S. Senator Jim Webb, 19 February 2012. Accessed 9 December 2012. <http://www.webb.senate.gov/newsroom/pressreleases/2010-02-19-01.cfm>

65 Press Release: “Senators Levin, McCain and Webb Express Concern to Secretary Panetta Regarding Asia-Pacific Basing.” Office of U.S. Senator Jim Webb, 2 April 2012. Accessed 9 December 2012. <http://www.webb.senate.gov/newsroom/pressreleases/2012-04-24.cfm>

66 “Jobs and the Economy: Putting Americans back to work.” The White House. Accessed 12 December 2012. <http://www.whitehouse.gov/economy>

67 “The Obama Administration’s Pivot to Asia,” Foreign Policy Initiative. Accessed 7 November 2012. <http://www.foreignpolicyi.org/content/obama-administrations-pivot-asia>

68 Marshall, Tyrone C., Jr., “Debt is Biggest Threat to National Security, Chairman Says,” U.S. Department of Defense. 22 September 2011. Accessed 7 November 2012. <http://www.defense.gov/news/newsarticle.aspx?id=65432>

69 “U.S. National Debt.” The White House. Accessed 12 December 2012. <http://www.whitehouse.gov/infographics/us-national-debt>

would also be false to say that it is not a major contributing factor.<sup>70</sup> With unemployment rates hovering around 8% and stagnant growth in the economy,<sup>71</sup> both parties in power must consider the cost-benefit analysis of U.S. military presence abroad.

Former Secretary of Defense Robert Gates made a strong point when he said: “At some point, financial insolvency at home will turn into strategic insolvency abroad.”<sup>72</sup> As a global hegemon maintaining varying interests across the globe, it is a necessity for the U.S. to maintain a strong international military presence to secure its interests and protect its allies. But difficult times call for difficult measures and America’s domestic challenges do require it. Alliances like the one shared with Japan are crucial to a strong foreign policy and this paper has not called for the weakening of that cherished alliance. This paper has also argued for a renewed and strategic reconstruction of the alliance that will ensure its solvency for years to come.

Australian Foreign Minister Bob Carr said the following about his country’s close ally: “The U.S. is one budget deal away from restoring its global preeminence. There are powers in the Asia-Pacific that are whispering that this time the U.S. will not get its act together, so others had best attend to them.”<sup>73</sup> A successful U.S. policy in Asia requires policymakers to get their fiscal issues sorted to renew the U.S.’s credibility abroad, lessening China’s security dilemma by reducing military commitments to China, and strengthening U.S. influence in the region economically instead of militarily. Such policy will yield stability in East Asia and foster relationships with China and Japan that will be mutually beneficial to all parties involved. America’s alliance with Japan will be sustained even with reductions to U.S. security commitments. Japan finally realizes that this is their time to enter the community of global powers.

Japan is and always will be a strategic partner of the U.S. The shared values and principles molded by the two nations’ close alliance cannot easily be divorced from each other as they have become embedded in both nations’ identities. The U.S. should welcome a Japan that shoulders more responsibility for its own defense and security. Only then will the U.S. truly allow Japan to “leave the nest” after 50 years of military partnerships that have yielded a stronger and viable force for Japan. General MacArthur would be surprised by what Japan has become today, far from the “Switzerland of Asia”<sup>74</sup> that he envisioned

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70 Masters, Jonathan. “U.S. Deficits and the National Debt.” Council of Foreign Relations, 2 March 2012. Accessed 12 December 2012. <http://www.cfr.org/united-states/us-deficits-national-debt/p27400>

71 Rampell, Catherine, “Modest Job Growth in Final Report Before Election,” The New York Times, 2 November 2012. Accessed 7 November 2012. <http://www.nytimes.com/2012/11/03/business/economy/us-added-171000-jobs-in-october.html>

72 Adler, Loren and Brian Collins. “Gates, Mullen Echo Leaders of Debt Commissions: America’s Fiscal Challenge is a Matter of Arithmetic.” Bipartisan Policy Center, 12 September 2012. Accessed 12 December 2012. <http://bipartisanpolicy.org/blog/2012/09/gates-mullen-see-eye-eye-leaders-debt-commissions-americas-challenge-matter-arithmetic>

73 Zoellick, Robert. “The Currency of Power.” Foreign Policy. November 2012.

74 Ruggie, John Gerard. (1996) World Order in the New Era, 46. New York: Columbia University Press.

when he incorporated the peace clauses in their constitution. Japan is slowly but surely transitioning into what President George W. Bush viewed as a free and independent strong ally, mirroring that of Great Britain.<sup>75</sup> Both the American and Japanese peoples believe that Japan should be more independent in this regard. Thus, both governments must rise to the occasion and adopt policies that embrace such visions of a Japan that is a key player in regional and global security.

When the U.S. defeated Japan in World War II, both nations shared a mutual desire for a pacifist state. In the interest of preventing another resurgence of a military power similar to the one possessed by Imperial Japan, their constitution restricted their ability to rebuild defense forces to protect their territories. But the Japan today is quite different from the Japan that fell nearly 70 years ago. The Japan today is the world's third largest economy; with a consumer sector twice that of China.<sup>76</sup> It is a nation that already possesses powerful defense forces despite the constitutional constraints that limit the forces' size and capabilities.

The pending territorial dispute over the Senkaku Islands has revealed a complex history between China and Japan while simultaneously displaying their ability to work together despite underlying differences and disagreements. It is highly unlikely that China and Japan would engage in warfare over small strips of islands as it would devastate their trade relations and disturb the relative stability in East Asia. Diplomacy--not armed conflicts--is the solution to this dispute and the two largest economies and armed forces in East Asia are sure to be able to resolve their differences in a manner that befits their global stature.

America has done its due diligence to maintain stability in East Asia, a responsibility that comes along with being a global hegemon. These difficult times require leaders to devote significant attention and resources to the domestic challenges being faced by millions of Americans. Policymakers must plan a course for the future that embraces fiscal responsibility and responsible governance. If the U.S. fails to realize the danger that its fiscal challenges pose to its national security, it will cripple its ability to address its domestic needs and maintain its cherished--and indeed necessary--role as a global power.

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75 Miller, John. "The Glacier Moves: Japan's Response to U.S. Security Policies." *Asian Affairs: An American Review*. 30.2 (2003): 1. EBSCO. Accessed 9 December 2012. <http://web.ebscohost.com>

76 Armitage, Richard and Joseph S. Nye. "The U.S.-Japan Alliance: Anchoring Stability in Asia." Center for Strategic and International Studies, August 2012. Accessed 9 December 2012. [http://csis.org/files/publication/120810\\_Armitage\\_USJapanAlliance\\_Web.pdf](http://csis.org/files/publication/120810_Armitage_USJapanAlliance_Web.pdf)

***The New Dynamics of Multilateralism:  
Diplomacy, International Organizations, and Global Governance***  
**Edited by James P. Muldoon, Jr, JoAnn Fagot Aviel,  
Richard Reilano and Earl Sullivan**

**Review by Matthew Hoddie, Department of Political Science, Towson  
University**

Two perspectives define the debate concerning the significance of international organizations to global politics. Proponents of the liberal perspective maintain that international organizations enhance the potential for global stability as these institutions provide a means of communication and collaboration across state boundaries.<sup>1</sup> By contrast, partisans of the realist perspective prove more skeptical of the value of international organizations. Realists characterize international organizations as largely ineffective and suggest that direction of global politics is instead determined by the interests of the world's most powerful states.<sup>2</sup>

*The New Dynamics of Multilateralism* is consistent with the liberal perspective. Focusing on international organizations as the structures through which multilateral diplomacy frequently takes place, the book highlights the different means through which these institutions have played an important role in addressing many of the challenges confronting international politics. An orienting concept for the volume is global governance in which multilateral institutions serve to "constrain and guide their member states' behavior and organize their relationships in accordance with general principles of conduct ..." (49).

The book is an edited volume intended for use in an upper division undergraduate course; it is an updated version of previous editions focused on multilateralism published in 1998 and 2005. The essays included in the volume are drawn from both scholars and practitioners as a means of demonstrating how multilateralism is relevant to both the academic study of global politics as well as more immediate, real world concerns.

The study begins with a series of introductory essays describing the concept of multilateralism and its significance to recent global politics. This is followed by a systematic consideration of different actors that participate in multilateral diplomacy. Separate sections are devoted to the role of states, non-state actors, and the international secretariats of multilateral organizations. A concluding section reflects on the common themes and findings apparent among the different chapters.

There are a number of important strengths associated with this volume. First, the study documents the growing significance of multilateral diplomacy to global politics. The statistics cited within the study reflect the explosive growth in the number of international

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1 Robert Keohane's work is representative of the liberal perspective. See Robert Keohane (1989) and Robert Keohane and Lisa Martin (1995).

2 For examples of studies in the realist tradition, see the work of Hans Morgenthau (1948), Kenneth Waltz (1979) and John Mearsheimer (1994/1995).

organizations and associated non-governmental organizations engaged in multilateralism. For international organizations, the number of institutions is estimated to have grown from 27 in 1909 to 244 in 2006 (11). In terms of non-governmental organizations, such as those engaged in humanitarian aid operations, the United Nations had granted only 90 groups consultative status in 1949; by 2009, the number of groups with this status stood at over 3,290 (297). These numbers provide a striking indication of the growing infrastructure available for carrying out multilateral diplomacy.

Second, many of the chapters are effective at demonstrating that our understanding of international organizations should expand beyond perceiving these structures as only forums where states have an opportunity to consult with one another. Instead, the diplomats within the secretariats of international organizations often have their own values and preferences which they seek to have realized in the decisions made by their institutions. As a result, these actors frequently engage in selling the agenda for their organizations and advocating for their favored policy outcomes.

To cite one example of this often-overlooked role played by international secretariats, a chapter contributed to this volume describes the different strategies employed by the United Nations' World Food Program in response to the rapid rise in global food prices that became apparent during 2006. The World Food Program proved effective at highlighting the danger to the world's poor that resulted from this rise in food prices. As a result of their public diplomacy efforts, the World Food Program received donations of \$5 billion in 2008; this proved to be a significant increase in comparison to the donations of \$2.7 billion in 2007 (278).

A third strength of this volume is its efforts to provide a balanced perspective concerning the effectiveness of both international organizations and affiliated non-governmental organizations to address global challenges. The book's editors are partisans of the liberal perspective and its affect ion for multilateral diplomacy. As a result, most chapters highlight what may be considered the successes of multilateral diplomacy such as efforts at preventing the widespread proliferation of nuclear weapons or responding to humanitarian disasters through the provision of aid to the victims of natural and manmade disasters.

At the same time, the editors have taken care to acknowledge that there are instances where international organizations have proven weak and ineffective, and thus provide some support for realist skepticism about the value of these institutions. In the realm of peacekeeping, contributors note that the United Nations has often proven incapable of generating a rapid response to an unfolding crisis as a result of debates among member states concerning the actual need for intervention as well as a widespread reluctance among government leaders to contribute troops to these missions (110-113).

In a similar vein, contributors note that multilateral diplomacy has been demonstrably ineffective in responding to the threat of climate change resulting from the burning of fossil fuels. The most recent multilateral effort to address this issue was a 2009 international conference held in Copenhagen; the meeting's results are characterized as a: "...loose commitment to hold global warming within 2°C above preindustrial levels, but in terms of a mechanism to effect this, little was achieved"(125). Efforts to establish a more meaningful agreement foundered on concerns among states that broad commitments to limit pollution

would serve to constrain these countries' economic development.

Despite the important insights presented in this volume, there are some relatively minor but notable limitations as well. The essays within the book provided by diplomats and their leaders or non-governmental organizations often seem to describe the operations of their institutions in excruciating detail, with a particular enthusiasm for listing and repeating the acronyms of the organizations with which they have contact.<sup>3</sup> Rather than providing this level of detail, these contributions might have more impact on readers if they were grounded in the broader theoretical debate between liberals and realists regarding the significance and influence of international organizations and non-governmental organizations to global politics.

Another problematic aspect of the contributions of practitioners is that these chapters often fall into the trap of serving as cheerleaders for their organizations and thus tend to focus only on the positive aspects of their contributions to multilateralism. This is most apparent in the chapter intended to consider the role of private sector businesses in the processes of global governance. With authors affiliated with the US Chamber of Commerce, the chapter highlights the opportunities that exist for partnerships between the private sector and non-profit organizations. The authors do not explore the potential difficulties that might emerge given the apparent incompatibility of interests between private companies that prioritize profits and nonprofit organizations focused on such issues as environmental protection, promoting worker's rights, and enhancing democracy.

A final concern is the absence of any meaningful discussion within the volume or the criticisms leveled at international organizations related to their failure to represent meaningfully the interests of developing states. Missing from the discussion of the United Nations is the longstanding debate about expanding the number of permanent members of the Security Council to include populous, developing countries such as India, Egypt, Nigeria, or Brazil.<sup>4</sup> Similarly, in its consideration of global economic institutions, the book fails to mention the conspicuous absence of leaders for these organizations from developing countries; the custom is for the president of the International Bank for Reconstruction and Development to be an American and the managing director of the International Monetary Fund to be European. In the absence of strong representation, the leadership of developing states often perceives international organizations to be unsympathetic to their needs and interests.

Despite these limitations, this book serves as an excellent introduction to the study of international organizations and global governance. It will provide students and other interested readers with a firm understanding of the different ways that these institutions have the potential to influence the processes of international relations.

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3 One illustration of this enthusiasm for acronyms among contributors is the following passage:

“As noted above, the primary approach taken toward influencing COP9 was one of insider politics. Based on an analysis of the exiting political context, TNC and GISP chose to work with governments, the CBD secretariat, and other partners to provide technical inputs into the deliberations...” (193).

4 On the issue of expanding the permanent membership of the United Nations Security Council, see Bruce Russett, Barry O'Neill and James Sutterlin (1996).

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