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Trade Is a National Security Imperative

*Abandoning the Pacific pact will tell America's Asian allies that
The U.S. is yielding to China. They will accommodate accordingly.*

Robert B. Zoellick

In an uncertain world, America's future security depends on both upgrading military capabilities and expanding economic opportunities. The Trans-Pacific Partnership, a trade accord among 12 countries accounting for almost 40% of the global economy, draws together these two strands of strategy. But TPP has been widely criticized by Republican and Democratic presidential candidates alike and faces an uphill battle in Congress.

Strategists have long recognized the interrelationship between economics and security. As early as 1787, John Jay pointed out in Federalist No. 4 that U.S. trade with Asia could one day lead to conflict. Over the years that followed, oceans that once barred foreign armies became highways for the U.S. Navy and mariners seeking markets. In 1854, Commodore Matthew Perry "opened" Japan to trade. In 1899, Secretary of State John Hay resisted imperialist designs to carve up China, as Africa had been, in favor of an "Open Door" policy to secure equal commercial opportunities.



In July 1941, in response to Japan's widening aggression in China and Southeast Asia, President Franklin Roosevelt, who a year before had imposed an oil and scrap-iron embargo on Japan, in effect blocked all trade with the island nation. Japan countered in December with the surprise attack on Pearl Harbor. After World War II, the U.S., having learned a painful lesson, designed a new Pacific order. Japan and South Korea became advanced economies and democracies within a U.S. alliance framework. The U.S. prospered as well, while the Soviet Union's closed economy ultimately failed to support its massive military machine.

In the late 1980s, as the Cold War was ending, Secretary of State James Baker anticipated the need to shore up U.S. Pacific alliances with an enhanced economic network. Working with Australia, the U.S. initiated the Asia Pacific Economic Cooperation group in 1989. President Clinton added an annual leaders' summit that encouraged ties of trade and investment.

In the 21st century, China's rise, as both an economic and military power, poses a new challenge. The unpredictable Communist regime in North Korea, with its nuclear weapons and missiles, also presents a threat, as does the two-way flow of Islamist terrorists between East Asia and the Middle East.

In the current issue of International Security, Nina Silove, an Australian scholar and fellow at Stanford University, traces how the Bush and Obama administrations sought to match China's rise with innovations in technology and doctrine, new deployments, and deeper security networks in the region. Equally important, America's Asia-Pacific allies and partners are expanding their expeditionary capabilities and ability to work with the U.S. and one another in combined operations.

Japan, for example, is becoming a more equal alliance partner by sharing defensive responsibilities. Australia plays a critical role in the new network, just as it did in the 20th century. South Korea is becoming a regional actor, in part because its partners might someday help the South to cope with North Korea. Singapore offers important facilities. The Philippines, a U.S. treaty partner, is again welcoming U.S. forces. Vietnam and India are also working quietly with the U.S. military.

The TPP supplies the economic foundation for this new Asia-Pacific security network. In this region, economics, trade and investment are the coins of the diplomatic realm. TPP recognizes both America's concrete economic interests in Asia and demonstrates U.S. steadfastness. If the U.S. abandons TPP, our Asian allies and partners will perceive America as yielding to China, and they will accommodate accordingly.

Equally important, the economic principles and **market openings** implemented through TPP will help economic reformers across the region. Japan is relying on TPP to help drive competitive change in its aging economy. Vietnam is using TPP as an international legal framework for development. TPP will help Malaysia to move up the ladder of value-added production and services.

The U.S. already has free-trade agreements with six of its 11 TPP partners. TPP modernizes those provisions, extends the rules to five more countries, and creates a cutting-edge trading network that will attract others. South Korea, which already has a free-trade agreement with the U.S., should eventually be added. Others in Southeast Asia will be challenged to achieve TPP's high standards.

The U.S. strategy is designed to shape decisions in Beijing, not contain China. The U.S. and its partners have benefited from China's amazing growth. Over the past three decades, China's economic reformers have imported rules of the international trading system to transform internal markets. China now needs to make more complex supply-side reforms to increase consumption and growth led by the private sector. The U.S.-led network in the Asia Pacific, of which TPP is a vital part, welcomes China's peaceful integration while discouraging aggression.

America's Founding Fathers, and every generation since, recognized that economic strength at home is vital for U.S. security. In the 19th century, the U.S. became a Pacific power. The 20th century demonstrated that conflicts in East Asia can threaten the U.S., but also that U.S. security can underpin Asia's prosperity. The U.S. now needs to create an economic and security network in the Asia-Pacific for the 21st century. Historians will look back on America's embrace of TPP—or its failure to do so—as a turning point in U.S. global strategy.

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