

RELEASE IN PART
B6

From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Tuesday, November 8, 2011 8:22 AM
To: H
Subject: Fw: WaPo: Obama to attend Asian economic summits

From: Sullivan, Jacob J
Sent: Tuesday, November 08, 2011 07:57 AM
To: Mills, Cheryl D
Subject: Fw: WaPo: Obama to attend Asian economic summits

See below article

From: Campbell, Kurt M
Sent: Tuesday, November 08, 2011 07:51 AM
To: Sullivan, Jacob J; Patel, Nirav S
Subject: Re: WaPo: Obama to attend Asian economic summits

Is it too late to go back and do that important piece Derek Chollet wanted us to do on the early history of nutmeg farming in Krakatoa 1885-1893 and its impact on the US spice trade?

From: Sullivan, Jacob J
Sent: Tuesday, November 08, 2011 07:17 AM
To: Patel, Nirav S; Campbell, Kurt M; Rooney, Megan; Paradiso, Darragh T
Subject: Re: WaPo: Obama to attend Asian economic summits

Sweet

From: Patel, Nirav S
Sent: Tuesday, November 08, 2011 06:28 AM
To: Sullivan, Jacob J; Campbell, Kurt M; Rooney, Megan; Paradiso, Darragh T
Subject: WaPo: Obama to attend Asian economic summits

Great piece on pivot as foundation for potus trip.

Nirav Patel
Senior Adviser
Bureau of East Asia and Pacific Affairs

This message is sent via bb

From: Darragh Paradiso [redacted]
Sent: Monday, November 07, 2011 10:14 PM
To: Patel, Nirav S

B6

Subject: Obama to attend Asian economic summits

Obama to attend Asian economic summits

By David Nakamura, Published: November 5

With Europe on the verge of a financial meltdown and President Obama headed to France last week for the Group of 20 economic summit, his secretary of state penned a long magazine essay about where the administration is focused.

“America’s Pacific Century” was the title of Hillary Rodham Clinton’s cover story in the November issue of Foreign Policy.

Although Europe remains the United States’ top trading partner, Obama, who is to leave Friday for a nine-day trip to Asia, is increasingly hitching his administration to the Asia bandwagon. It is a bet that the region’s growing economic dynamism will help propel the United States out of its doldrums and perhaps give a boost to his flagging political fortunes.

“Harnessing Asia’s growth and dynamism is central to American economic and strategic interests and a key priority for President Obama,” wrote Clinton, who in 2009 made her first overseas trip as secretary of state to several Asian countries. “Open markets in Asia provide the United States with unprecedented opportunities for investment, trade and access to cutting-edge technology. Our economic recovery at home will depend on exports and the ability of American firms to tap into the vast and growing consumer base of Asia.”

Obama concluded a whirlwind two-day visit to the summit in Cannes with few tangible achievements. Rather, the administration offered vague pronouncements that the president had shared advice with European leaders based on the U.S. financial crisis two years ago. White House officials trumpeted, as perhaps their most concrete success, a commitment from China to consider making its currency exchange rate policy more flexible to help balance trade.

Strapped for cash and embroiled in his own economic and political morass back home, Obama had little leverage with the Europeans and it showed: The leader of the world’s largest economy often appeared to be a sideline player, content to let his counterparts take the lead in confronting what his aides pointedly called a “European problem.”

Contrast that, however, with the administration’s bolder posturing leading up to Obama’s Asia trip, which is to begin Friday in Hawaii at the Asia Pacific Economic Cooperation summit and continue to Australia for a state visit and then to Bali, Indonesia, for the East Asia Summit.

A few weeks before Clinton’s essay hit the newsstands, Obama greeted South Korean President Lee Myung-bak on the South Lawn by saying: “The United States is a Pacific nation, and America is leading once more in the Asia Pacific.”

Their meeting came on the heels of Congress approving a landmark free-trade agreement with South Korea, which Obama has championed as a way to spur U.S. exports. And aides said that Obama intends, at both Asian summits, to resume negotiations with at least eight other nations on the Trans-Pacific Partnership, another free-trade agreement.

Senior White House officials said Obama will use his time in Asia to emphasize the message that increased U.S. exports is a critical avenue to creating middle-class manufacturing jobs, a theme that dovetails with his domestic jobs tour.

“He’s got to make the case that if we are going to move out of our economic slowdown or recession, whatever it is, that Asia is part of the answer,” said Ernest Bower, director of the Southeast Asia Program at the Center for Strategic and International Studies. “And being back on a forward foot on trade is going to be absolutely key to that, so that your job, your dad’s job, the college graduate’s job at the table is going to be linked in some way to Asia. And he’s got a very good case to make. Two-thirds of all world trade is in Asia. Two-thirds of all shipping goes through the South China Sea.”

Obama has been making that case during his appearances across the United States in recent weeks. After touring a General Motors factory near Detroit with South Korea’s Lee last month, Obama told a crowd of autoworkers that the South Korean trade agreement could create up to 70,000 jobs in the United States.

“We live in a global economy, and that means most of the potential customers for American companies like GM won’t just be here in the United States, they’ll be all around the world,” Obama said. “And the more goods and services we sell abroad, the more jobs we create here at home. In fact, every \$1 billion in exports supports thousands of American jobs. And that’s why I’ve set a goal of doubling our exports.”

There are risks to Obama’s strategy. Although the United Auto Workers union supported the South Korean free-trade deal, other labor unions, including the Service Employees International Union, have opposed it out of fear that jobs would be exported overseas.

Furthermore, as Obama eyes Asia’s economic potential, he also must reckon with the growing security challenges in a region dominated by the growing influence of China and instability of North Korea.

Along with economic partnerships, emerging Asian countries are seeking U.S. defense commitments, a point underscored by Defense Secretary Leon E. Panetta’s tour of the region last month. In Australia, Obama is scheduled to visit the city of Darwin, home to the country’s largest military base, and he is likely to announce a new military partnership with the Australians.

The U.S. “post-World War II commitment to building a comprehensive and lasting trans-Atlantic network of institutions and relationships has paid off many times over — and continues to do so,” Clinton wrote in her Foreign Policy essay. “The time has come for the United States to make similar investments as a Pacific power.”