LEVERAGING TRADE AGREEMENTS
TO MEET U.S. SECURITY AIMS

by

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Free trade often results in economic gains that exceed the sum of its parts, and in most cases, provides a mutually beneficial outcome to the trading partners. This universally shared interest in economic gain positions the U.S. at a significant advantage internationally in its ability to leverage its domestic markets in order to achieve market access for U.S. businesses in partner nations. The U.S. economic advantage also positions the U.S. to lead negotiations, designing the international economic architecture to reflect the principles and values of enduring U.S. national interests, while gaining geostrategic influence with other nations and regions in accomplishing U.S. national security goals. A review of the U.S. trade policy, and its nesting with the National Security Strategy, demonstrates how President Barack Obama’s strategic “pivot to Asia,” and the Trans-Pacific Partnership (TPP) trade agreement facilitate U.S. enduring national security interests; first, in counter-balancing the rise of China, and secondly, achieving overall U.S. geostrategic aims in the Asia Pacific, highlighting Vietnam as a case study.

SUBJECT TERMS
Economic policy, trade, national security, Trans-Pacific Partnership, China, Asia-Pacific
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This paper is entirely my own work except as documented in footnotes.
ABSTRACT

As far back as the first deployment of the U.S. Navy in 1789 to secure free passage of commercial shipping through the Strait of Gibraltar, the United States has sought the maintenance and expansion of its international commerce as fundamental to its national interests. Today, due to its strong economy, the U.S. enjoys the most influential position in world affairs. However, a strong U.S. economy provides more than a powerful military to protect our national security. The U.S. economy provides influence. Similar to the adage, “the pen is mightier than the sword,” the mutual fostering of prosperity through free trade is a diplomatic lever that has the power to surmount differences, establish common interests, and reduce tensions. Free trade often results in economic gains that exceed the sum of its parts, and in most cases, provides a mutually beneficial outcome to the trading partners.

This universally shared interest in economic gain positions the U.S. at a significant advantage internationally in its ability to leverage its domestic markets in order to achieve market access for U.S. businesses in partner nations. The U.S. economic advantage also positions the U.S. to lead negotiations, designing the international economic architecture to reflect the principles and values of enduring U.S. national interests, while gaining geostrategic influence with other nations and regions in accomplishing U.S. national security goals.

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INTRODUCTION

America’s growing economic strength is the foundation of our national security and a critical source of our influence abroad.

— President Barack Obama, National Security Strategy 2015¹

The national security of the United States is inextricably linked to its continued prosperity, and equally, to the prosperity of its allies and potential adversaries. Prosperity contributes to a strong national defense, and institutions which foster the conditions for peace and security. The global order is largely dependent in the post–Cold War world on interlinked trade. Additionally, most states require trade in order to access scarce resources, take advantage of cheaper materials, labor, new knowledge and technology, and generally to reap the benefit of economic growth gained through increased efficiencies and market access. Economists generally agree that reducing barriers to free trade is of benefit to all, and improves the economies of partner nations.²

Trade policy is part and parcel of a nation’s security policy. Trade policy aims to protect a state’s livelihood by fostering favorable conditions for its exports, while at the same time protecting critical industries, resources, or sensitive technologies. Further, states will employ trade sanctions as a non-military lever, to coerce an adversary to change its actions, or in some cases, such as the U.S. embargo against

Cuba, to incite regime change. The U.S. currently maintains trade sanctions against 21 countries related to their association with weapons of mass destruction development or trafficking, narcotics trafficking, human rights violations, terrorism sponsorship, and other policies that are counter to U.S. security interests.

Less recognized has been the employment of trade agreements as a powerful policy tool to achieve a nation's security aims. As the United States trade representative Michael Froman states,

For much of the twentieth century, leaders and policymakers around the world viewed the strategic importance of trade, and international economic policy more generally, largely through the lens of military strength. They believed that the role of a strong economy was to act as an enabler, supporting a strong military, which they saw as the best way to project power and influence. But in recent decades, leaders have come to see the economic clout that trade produces as more than merely a purse for military prowess: they now understand prosperity to be the principle means by which countries measure and exercise power.

As far back as the first deployment of the U.S. Navy in 1789 to secure free passage of commercial shipping through the Strait of Gibraltar, the United States has sought the maintenance and expansion of its international commerce as fundamental to its national interests. Today, due to its strong economy, the U.S. enjoys the most influential position in world affairs. However, as Froman indicated, a strong U.S. economy provides more than a powerful military to protect our national security. The

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U.S. economy provides influence. Similar to the adage, “the pen is mightier than the sword,” the mutual fostering of prosperity through free trade is a diplomatic lever that has the power to surmount differences, establish common interests, and reduce tensions. Free trade often results in economic gains that exceed the sum of its parts, and in most cases, provides a mutually beneficial outcome to the trading partners.

This universally shared interest in economic gain positions the U.S. at a significant advantage internationally in its ability to leverage its domestic markets in order to achieve market access for U.S. businesses in partner nations. The U.S. economic advantage also positions the U.S. to lead negotiations, designing the international economic architecture to reflect the principles and values of enduring U.S. national interests, while gaining geostrategic influence with other nations and regions in accomplishing U.S. national security goals.

Today, the success of the modern nation state system and large economic trading blocks is evident in the relative stability and prosperity since World War II, and the collapse of the Soviet Union. The last century witnessed the rise of international governance and greater economic cooperation through the United Nations, International Monetary Fund, World Trade Organization, and World Bank among many others. Historical enemies are now allies and economic partners, as evident in the European Union’s integration of Germany, and the U.S. alliance and economic relationship to Japan. In contrast to the post World War I approach to world security through the League of Nations’ wielding of untenable sanctions against belligerents, the post- World War II strategy was underwritten by robust economic investment implemented through the U.S. Marshall Plan, officially known as the
European Recovery Program, and economic integration of former adversaries through U.S. trade policy.7

In the National Security Strategy, President Obama underscored the influence that the U.S. economy provides in pursuing U.S. security interests. This paper examines the advantage of trade agreements, rather than trade restrictions, as a tool to execute the National Security Strategy. It first identifies an underlying function of trade agreements beyond economic gain, providing the historic examples of the European Community, the Canada-U.S. Free Trade Agreement, and the North American Free Trade Agreement, in which the strategic motivations of the negotiating leaders were to cultivate an integrated relationship in response to a perceived security concern.

The paper then addresses how trade agreements specifically facilitate current U.S. strategic aims. The paper accomplishes this by outlining the security functions served through trade agreements, and by demonstrating the nesting of these functions in U.S. trade policy, and its support of the NSS. The author examines President Barack Obama’s strategic “pivot to Asia,” and the Trans-Pacific Partnership (TPP) trade agreement to reveal how trade agreements facilitate U.S. enduring national security interests; first, in counter-balancing the rise of China, and secondly, achieving overall U.S. geostrategic aims in the Asia Pacific, highlighting Vietnam as a case study.

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CHAPTER ONE
THE POWER OF TRADE

In his book *Making North America: Trade, Security and Integration*, political science professor James Thompson argues that in pursuit of national security, states will seek to increase their power in relation to a threatening state, either through internal development of often finite resources, or by establishing partnerships with other states to gain greater power between them. This augmentation of power take place either through combined opposition, working together against a third party; or through binding themselves to the threatening state, “thereby constraining that state’s range of action and/or benefiting from that state’s economic or military capacity.” States will frequently employ trade agreements with each other to facilitate these partnerships. Thompson describes the first case – a trading partnership in order to augment state power against a common threat- as ‘trading to oppose.’ In the second case – the binding of the state to the threatening state through a trading partnership in order to constrain the threatening state--as ‘trading to control.’

Military force is effective as a deterrent, in wielding compellence, and in defense of state interests, but military force is limited in what it can do to accomplish a secure lasting peace. Shared economic interests provide a forum for states to find common ground through mutual prosperity, and provide an approach to secure regional and international relationships that further support mutual long term security without resort to force. Trade incentives and rewards provide the engagement framework and common

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dialogue that, in turn, can enhance security. Examples of trade agreements that not only brought mutual trade benefits, but also enhances mutual security interests are found in the European Union, Canada-US Free Trade Agreement (CUFTA), and the North American Free Trade Agreement (NAFTA).

European Union: Trading To Control

In post-World War II Europe, age-old tensions remained between France and Germany, particularly along their shared industrial corridor. French foreign minister Robert Schuman recognized that long-term peace and prosperity required that “the historical opposition of France and Germany be eliminated: the current integration effort [of Europe] must therefore touch first upon France and Germany.”

In a 1950 letter to West German Chancellor Konrad Adenauer, Schuman proposed the creation of the European Coal and Steel Community. In order to avoid a future war, the two states agreed to integrate economic resources in order to establish mutual control, through the integration effort of the coal and steel industries that supported the two states’ armament production. These industries were located in the coal-rich Saar-Ruhr region that had been a target of wars in the past. Schuman stated, “the placing together of the coal and steel productions will assure immediately the establishment of common bases of development, which is the first step towards a European federation, and it will change the destiny of these regions which have long been

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2 Ibid., 11.
menaced by the fabrication of the arms of war of which they are the most constant
victims.”

Chancellor Adenauer echoed the security basis for the economic integration,

stating,

The purpose of his [Schuman’s] proposal was not economic, but
eminently political. In France there was a fear that once Germany had
recovered, she would attack France. He could imagine that the
 corresponding fears might be present in Germany . . . If any organization
such as he was proposing were to be set up it would enable each country
to detect the first signs of rearmament, and would have an extraordinarily
calming effect in France.”

The European Coal and Steel Community became the model for the European Union.

When one examines the evolution of the EU, in terms of both economic gains and
integration, it is evident the stabilizing influence that comprehensive trade agreements
can have on the long term stability of a region, and the world generally. The stability
began with Schuman’s strategy to bind France to Germany, the threatening state, through
the economic integration of their coal and steel industries. In Thompson’s terms,
Schuman sought to constrain Germany through a ‘trading to control’ partnership. Today,
the historic tensions between Germany and France, and between Germany and Western
Europe generally, are now fought out in the halls of the EU and not on war torn hills of
Rhineland and Alsace-Lorraine. In 1992, the European Union formalized their forum for
crafting a unified position on foreign policy and security interests in the Common
Foreign and Security Policy (CFSP). In the 2000s, the CFSP has fielded peacekeeping
forces to conflicts in Europe and Africa. It is evident in reviewing the EU’s evolution

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4 Thompson, 117.
5 Konrad Adenauer, Memoir (Chicago: H. Regnery Co., 1966), 257.
6 Thompson, 5.
since the 1950s that there is now greater interest in maintaining post-World War stability through shared economic interests and common security concerns, than allowing an icy division to set the stage for a third world war.

Canada-U.S. Free Trade Agreement and the North American Free Trade Agreement: Trading to Oppose

At the height of Cold War tensions, U.S. President Ronald Reagan pursued a foreign policy initiative referred to as the “North American Accord,” explaining,

A developing closeness among Canada, Mexico, and the United States. . . . would permit achievement of the potential in each country beyond that which I believe any of them . . . could accomplish in the absence of such cooperation. In fact, the key to our own future security may lie in both Mexico and Canada becoming much stronger countries than they are today.7

Reagan’s trade initiative was directly related to the Soviet nuclear threat. Martin Anderson, Reagan’s campaign manager and later, one of his economic advisors, explained, “the northern Canadian territory was the first line of defense against a Soviet nuclear attack.”8 Reagan sought closer integration of Canada to provide access for military deterrence against the Soviets, but also to counter the ability of the Soviets to influence U.S. neighbors. The North American Accord resulted in the Canada-US Free Trade Agreement (CUFTA) in 1988.

Wary of United States’ influence, Canada resisted the initiative during the Trudeau administration. Subsequent Canadian leaders supported the agreement, desiring closer relations with the U.S. in response to the common security concerns posed by the Soviet nuclear threat. In this regard CUFTA reflected a ‘trading to oppose’ relationship

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7 Ibid., 52.
8 Ibid., 54.
wherein Canada traded with the United States in opposition to the Soviet Union. Canada sought to increase its power against the Soviet threat by integrating itself more closely with the United States and benefiting from the enhanced resources and economic strength the CUFTA partnership would bring.

But Canada also recognized the opportunity to have greater voice and influence with United States if the two nations’ economies were more closely integrated. Canada was wary of its southern neighbor’s economic and military power, and equally viewed CUFTA as a mechanism to bind the U.S. more closely to Canada. CUFTA provided as much a ‘trading to oppose’ partnership with the U.S. against the Soviet Union, as it did a ‘trading to control’ framework to facilitate better cooperation with their powerful southern neighbor.9

Reagan’s North American Accord with Mexico took longer to evolve, but ultimately resulted in the three country North American Free Trade Agreement (NAFTA) in 1994. Historically, Mexico sought economic relationships with Germany in an effort to balance its powerful neighbor to the north. In Thompson’s terms, President Carlos Salinas’ aspiration was an economic partnership with Germany in order to augment Mexico’s power in opposition to the United States, demonstrating a ‘trading to oppose’ relationship.10

However, after the Berlin Wall crumbled and Germany reunified, Germany’s economy struggled and could not offer support to Mexico. This prompted Salinas to reconsider Mexico’s relationship with the United States. After the U.S. invasion of Panama in 1989, Salinas was more eager to protect Mexican sovereignty by improving

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9 Ibid., 65.  
10 Ibid.
relations with the United States. Through NAFTA, Salinas sought to integrate more closely with the United States in order bind their countries and constrain the United States in its policies in regards to Mexico, as well as benefit from the shared economic benefits. Ultimately, both countries sought a ‘trading to control’ relationship in their pursuit of an agreement.

In the case of the U.S., the administration sought to use the trade agreement as a means to influence Mexico, to align it more closely with the U.S. rather than another foreign power. President George H.W. Bush sought means to influence the policies of Latin American states more effectively. Mexico, particularly in the post-Cold War era, was a focal point of U.S. efforts to consolidate the American strategic security advantage.\(^{11}\) The 1994 NAFTA agreement was a watershed moment in the U.S. – Mexico relationship, a culmination of two centuries of previously unsuccessful U.S. efforts to influence Mexico’s behavior through trade agreements.

Today, Mexico and the U.S. are heavily interdependent – Mexico is the third largest trading partner of the U.S., and the United States is Mexico’s number one trading partner. The United States and Mexico share strong cultural and historical ties. Additionally, security conditions in Mexico affect U.S. national security, particularly along the nearly 2,000 mile U.S.-Mexico border. Mexico’s inability to effectively combat corruption and strengthen the rule of law has implications for U.S. economic and strategic interests in the country, and underscores the need for continued cooperation on those issues. NAFTA, through the resulting increased economic interdependence and diplomatic relations, encourages strong bilateral cooperation, while also facilitating

\(^{11}\) Ibid., 106.
dialogue and progress in pursuing U.S. strategic interests.\textsuperscript{12} Out of NAFTA, the three countries established the Security and Prosperity Partnership that met annually from 2005 to 2009. Although no subsequent meetings have been held, the initiative was the first of its kind by the three countries to expand their trade relationship to one of mutual security interests.\textsuperscript{13}

The origins and evolution of the EU, CUFTA, and NAFTA each demonstrate how shared economic interests can serve grander strategic security concerns. In each case, the trade partnership provided economic integration, shared resources, and a forum for diplomatic dialogue and political expansion to the security realm, serving as a forum for influence and control. The security motivations at each of the trade partnerships' beginnings may have centered on the strategic context of the time, but in each case, the trade partnership evolved as the partners' economic integration provided a mechanism for addressing modern day security concerns.

\textsuperscript{13} Thompson, 4.
CHAPTER TWO
U.S. TRADE POLICY IN SUPPORT OF THE NATIONAL SECURITY STRATEGY

Beginning post-World War II, U.S. trade policy has reflected a consistent strategy of trade liberalization in support of U.S. national security interests. Since the Bretton Woods Conference at the end of World War II, and the establishment of the General Agreement on Tariffs and Trade (GATT), U.S. policymakers have exercised a bipartisan belief that lowering tariffs and expanding free trade worldwide would reduce poverty, and encourage confidence in a free-market system based on fairness, transparency, and the rule of law. The geostrategic significance of trade expansion grew during the Cold War. After the signing of the 1962 Trade Expansion Act, President John F. Kennedy demonstrated Thompson's principle of 'trading to oppose' in his statement, "A vital expanding economy in the free world is a strong counter to the threat of the world Communist movement," and two decades later in 1985, President Ronald Reagan similarly remarked, "The freer the flow of world trade, the stronger the tides for human progress and peace among nations." Reagan launched the Uruguay Round in 1986, which Democratic President Bill Clinton later helped complete in 1994, establishing the World Trade Organization.

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4 Alessi.
President Obama continues to pursue trade liberalization as one of the primary means to accomplish the U.S. enduring national interests, outlined in both the 2010 and 2015 National Security Strategy. The goals are listed in the 2015 strategy:

1) Security of the United States, its citizens, and U.S. allies and partners,
2) A strong, innovative, and growing U.S. economy in an open international economic system that promotes opportunity and prosperity,
3) Respect for universal values at home and around the world, and
4) A rules-based international order advanced by U.S. leadership that promotes peace, security, and opportunity through stronger cooperation to meet global challenges. 

In *Making North America*, James Thompson identifies five functions of trade agreements in support of a state’s security interests; as a tool for an improved economy, for influence, dispute resolution, restraint, and integration. These functions are reflected in the U.S. Trade Representative (USTR) Michael Froman’s trade policy outlined in “The Strategic Logic of Trade,” in which he outlines an approach that supports the NSS enduring national interests.

**Improved Economy**

Thompson states, “The first function that an FTA can serve . . . . is to increase trade relations between the participating states. By increasing trade, the participating states’ economic strength is potentially enhanced; that enhancement then translates into increased material resources for each state and hence into the possible strengthening of

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the participating states’ militaries.” By increasing trade, a stronger economy results from more competitive markets, market efficiencies, and access to resources and labor. Stronger economies contribute to a state’s military capacity and capability. This increased military capacity provides a greater ability to the partnered states to mutually oppose the threatening third-party state.

Trade liberalization through agreements directly supports the second enduring national interest of a “growing economy in an open international economic system.” Froman states, “Over the last five years, the increase in U.S. exports has accounted for nearly a third of the total U.S. economic growth and, during the past four years, has supported 1.6 million additional jobs.” The value of economic gains from trade liberalization extends to the positive impacts to the economies of U.S. trading partners, and supports the NSS enduring national interest of furthering an open international economic system that promotes opportunity and prosperity. Prosperity provides resources to the state, which enables it to govern effectively, control its borders, enforce rule of law, and provide basic needs to its population. Without resources and effective governance, weak states face uncontrolled borders leading to a breakdown of the rule of law, poverty, and violence. These conditions contribute to regional instability, provide potential safe havens for violent extremist organizations, and the conditions for unrest, mass migration, brutality, and genocide.

Froman’s trade strategy outlines that U.S. trade policy, in combination with sufficient infrastructure, rule of law and strong institutions,

“can help alleviate poverty and promote stability . . . . Trade fuels faster growth, stimulates investment, and promotes competition, which

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8 Thompson, 16.
9 Froman.
results in more jobs and more income for the poor. ... Between 1991 and 2011, developing countries’ share of world trade doubled and nearly one billion people escaped poverty. ... Trade-led development serves U.S. interests by growing markets for U.S. exports and by preventing conflict.”

Influence

Thompson refers to this second function as voice opportunities, providing “the potential for member states to influence policy within the other member states.” A state will enter into a trade agreement in an effort to influence the other trade partner. Trade binds the participating states together in shared interests and concerns, and provides a basis for influence and dialogue beyond the economic framework. Aside from economic gains, the opportunity to influence a trade partner’s policies through the economic relationship and leveraging trade incentives is possibly the most valuable aspect of trade agreements. The U.S. is wielding trade policy to frame the international economic architecture to accomplish its third and fourth enduring national interests, respect for universal values and a rules-based international order. Froman explains that the Obama administration has three strategic trade objectives, “establishing and enforcing rules of the road, strengthening partnerships, and promoting development ... which will ensure that tomorrow’s global trading system is consistent with American values and interests.”

The U.S. leverages trade agreements to influence domestic policies of member states to support core U.S. values and standards, which include free market principles, and universal values that protect human rights. As part of a ‘trading to control’

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80 Ibid.
81 Thompson, 16.
82 Froman.
relationship, trade agreements provide an avenue to influence partner governments in their policies, ultimately encouraging norms that reflect not only liberalized markets, but liberalized governments. Froman explains, that trade-led development “is an important expression of American values. U.S. trade policy supports greater competition, more participation in the market, and more rigorous labor and environmental standards. In doing so, U.S. trade policy advances broader definitions of international security, including human security and environmental security.” 13

Additionally, trade agreements lead to greater exchange of products and services between the partnered countries. The exchange of goods, services, and business investment facilitates cultural exposure and influence from the partnered countries. Although the nature and impact of such influence is difficult to evaluate, one can reasonably conclude the power of trade in influencing other populations. Such influence may not directly affect a government’s behavior or policies, but it may indirectly pressure a government to respond to the interests or demands of its population because it is unwilling to lose the benefits of an existing trade agreement with the U.S.

Dispute Resolution

Thompson explains, states will more successfully maintain the trade relationship and closer ties when a robust dispute resolution process is in place. The dispute resolution framework not only supports the trade agreement, but also the ability of the partnered states to maintain an alliance against a third party, or to maintain peaceful relations between each other.14 Froman ties this function directly to the first enduring national interest: security of the U.S., its citizens and allies; “The global trading system . . .

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13 Ibid.
14 Thompson, 17.
provides avenues for peaceful competition and mechanisms for resolving grievances that might otherwise escalate.”

Restraint Mechanism

Thompson defines the restraint mechanism of trade agreements as a measure of insurance against belligerent behavior, “by raising the price of defection from the overall power-opposing arrangement.” The more complex the trading relationship, the more likely the participating states will remain committed to the larger diplomatic relationship, not just the economic one. Closely related to the function of dispute resolution, the effect of restraint on relations between trade partners reduces the likelihood of conflict devolving into violence and spreading tensions regionally and globally. This supports the first of the four NSS enduring national interests, that of security. “Over time, the habits of cooperation shaped through trade can reduce misperceptions, build trust and increase cooperation between states on other issues.” Froman’s remarks echo those of President Harry S. Truman in 1947 during the post World War II reconstruction efforts. “If the nations can agree to observe a code of good conduct in international trade,” Truman said, “they will cooperate more readily in other international affairs. Such agreement will prevent the bitterness that is engendered by an economic war. It will provide an atmosphere congenial to the preservation of peace.” This is the effect French foreign minister Schuman and German chancellor Adenauer sought when France and Germany agreed to combine their coal and steel industries in 1950; and President Nixon

15 Froman.
16 Thompson, 17.
17 Ibid.
18 Froman.
sought the same goal in 1972 when he opened a diplomatic dialogue with China and established trade relations.

Integration

Trade agreements provide the initial steps towards greater integration. Thompson states, “Integration provides greater power-augmenting benefits than cooperation, insofar as the former not only is an enhanced version of the latter but also has the potential to end anarchic relations between participating states.”\textsuperscript{20} The ECSC in 1950 was the initial step towards the greater integration of Europe that ultimately became the European Community. Froman emphasizes this point,

Trade has played a leading role in many of the most important chapters of U.S. history, often as a tool for strengthening international partnerships and alliances. . . . The best-known example of this occurred in the wake of World War II, when the United States provided more access to Western European countries and Japan than it received from them, in an attempt to speed their reconstruction and solidify their integration into an open, rules-based order.\textsuperscript{21}

Thompson’s trade security function of integration serves the NSS aim of furthering a rules-based international order, and is reflected in Froman’s trade policy in its emphasis of deepening partnerships and inclusive trade based on shared economic principles and goals.

Today, the U.S. seeks to engage and integrate the Asia-Pacific region into the same rules-based order, framing the world economic architecture to ensure fair and inclusive trade practices, and the wide-spread prosperity that comes with free trade and liberalized markets. The Trans-Pacific Partnership serves these aims while at the same time building up the region economically and diplomatically in a strategic counter-

\textsuperscript{20} Thompson, 16. 
\textsuperscript{21} Froman.
balance to China’s rising influence. In 2011 Secretary of State Hillary Clinton remarked in *Foreign Policy*, “At a time when the region is building a more mature security and economic architecture to promote stability and prosperity, U.S. commitment there is essential. It will help build that architecture and pay dividends for continued American leadership well into this century.”

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CHAPTER THREE
CHINA: TRADING TO OPPOSE

The United States, with its coast reaching in an arc from Mexico to the Bering Straits, is one anchor of a vast Pacific community. Both our interests and our ideals propel us westward across the Pacific, not as conquerors but as partners, linked by the sea not only with those oriental nations on Asia's Pacific littoral, but at the same time with occidental Australia and New Zealand, and with the island nations in between.

—President Richard Nixon, October 1967

When President Richard Nixon traveled to China in February 1972, it was the first time a United States president stepped foot in the People’s Republic of China. The summit between Nixon and Chinese Premier Zhou Enlai represented a pivotal change in U.S. foreign policy. In his efforts to reduce Cold War tensions and frame a new world order that strengthened U.S. hegemony and security in the Pacific, Nixon sought to engage China and bring it into the international order. As Nixon’s Secretary of Defense, Melvin Laird, explained, “genuine peace is more than a mere absence of war, it is the cultivation of mutual persuasion.” Nixon and Zhou found fertile ground for mutual persuasion within their economic concerns and forged a bilateral trade agreement. They were both motivated by trade as a tool to increase their economies, to influence the other, restrain the other, and to integrate four of Thompson’s security functions of trade agreements.

Nixon had considered his strategy well before he assumed office in 1969. His article “Asia After Vietnam,” published in Foreign Affairs in 1967, established guiding

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1 Richard Nixon, "Asia After Viet Nam," Foreign Affairs (October, 1967), 

principles that ultimately provided the philosophical underpinnings to reframe the U.S. relationship with China during his presidency. Nixon explained that, "taking the long view, we simply cannot afford to leave China forever outside the family of nations, there to nurture its fantasies, cherish its hates and threaten its neighbors. There is no place on this small planet for a billion of its potentially most able people to live in angry isolation."\(^3\)

The key element of Nixon's strategy to draw China in to the family of nations was to establish a bilateral trade agreement, encouraging China to open its economy, and adapt market reforms. Nixon understood the power of the U.S. market and the leverage of U.S. trade policy to reframe the strategic environment, reducing Cold War tensions through the pursuit of common interests. During his trip, Nixon referred to his visit to the Great Wall and expressed to his Chinese hosts, "A wall can protect us. Or a wall can divide us, and we believe that this new relationship that we have begun with this meeting will help to protect us. . . ."\(^4\)

The historic moment set the stage for four decades of increasing economic integration between the two countries. In 1972, China accounted for $4.9 million in imports to the U.S. and a negligible amount in exports.\(^5\) Today China is the United States' second largest trading partner after Canada, with total trade at $592 billion in 2014. Chinese trade accounts for 18.7 percent of U.S. imports and 7.1 percent of U.S.

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\(^3\) Nixon, "Asia after Vietnam," 112.
exports, and China is the United States’ largest agricultural export market, accounting for
$24.9 billion in exports. An estimated 800,000 U.S. jobs are tied to trade with China.⁶

President Nixon’s 1972 goal of bringing China into the family of nations started
with diplomacy and a trade agreement. Yet ironically, today China’s economic engine,
fueled by U.S. consumption, is increasing China’s regional influence and is on a
trajectory to challenge the current world order. China’s economy is expected to overtake
the United States as early as 2020. It is indicating ambitions to assume a great power role
in both the region and the world. Its economy, geographic and demographic size,
location, and sizeable investment in its military capability indicate a formidable rival to
the United States.

Currently, of particular concern to the U.S. and the Asia Pacific countries are
China’s sovereign claims to the South China Sea and recent exercising of its enhanced
maritime capabilities. The contested Paracel, Spratly, and Senkaku/Diaoyudao islands
pose potential flashpoints for hostilities between China, Japan, Taiwan, the Philippines,
Malaysia, Brunei, and Vietnam.⁷ Additionally, China is spearheading a number of
economic policy initiatives that counter western institutions and traditional U.S. world
leadership. These include the Asia-only Regional Comprehensive Economic Partnership
(RCEP); the Asian Infrastructure Investment Bank (AIIB), considered a competitor to the
World Bank; and the Asian Development Bank, which was established to break the
Western monopoly on the international financial system.⁸ The new Chinese “Silk Road”

⁶ Congressional Research Service, China’s Economic Rise: History, Trends, Challenges, and Implications
⁷ David Tier, “Regional Alliances: A Political, Military, and Economic Strategy to Confront Hostile
⁸ William Tow, “The United States and Asia in 2014: Reconciling Rebalancing and Strategic Constraints,”
   Asian Survey 55, no. 1 (January/February 2015),
project, a land and maritime based initiative to encourage trade, investment, and cultural exchange between China, Iraq, Syria, Turkey and several European states, including Bulgaria, Romania, the Czech Republic, Germany, the Netherlands, and Italy. Although the plan lacks specifics, it reflects China’s growing interest in leveraging its economy, as Thompson would describe as ‘trading to control.’

China’s rising influence and growing assertiveness presents a challenging dilemma for U.S. policy makers. As Thompson outlines in the trade security function of restraint, the integrated economic relationship began by Nixon restrains each power, creating a tension between mutual risk and mutual security. Calls for containing China, similar to the containment of the Soviet Union during the Cold War, are problematic. To echo Thompson, “the price of defection” from the economic integration is costly. China is a major investor in the U.S., and the U.S. has several political constituencies with vested interests in China. Trying to contain China through trade embargos, and other diplomatic actions, will not only inordinately harm China, but also the U.S., its partners, and the world economy. President Nixon’s remarks 40 years ago ring more true now than ever before. Now that China is integrated into the world economy, the U.S. and its partners cannot afford to push it off the world stage, “there to nurture its fantasies, cherish its hates and threaten its neighbors.”

President Obama has continued Nixon’s legacy, navigating the challenge to the world order through a strategy of Asia-Pacific integration. Begun with President George

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11 Thompson, 17.
W. Bush, and now continuing with President Obama, the United States is pursuing a strategy of balancing, which Secretary of State Clinton described as an intent to raise surrounding countries up, rather than to keep China down.\textsuperscript{13} Ashley Tellis, a former advisor to the National Security Council, explained the policy as having the intent “to propel the growth of other nations along China’s periphery as a way of “weaving the net” that produces a “moderating effect on Chinese behavior.” Tellis explains that, “nurturing the critical states on China’s periphery cannot occur without increasing economic growth all around. Although economic decisions in these countries will remain the most important factor affecting growth, the choices pertaining to trade probably come in a close second.”\textsuperscript{14}

Tellis’ views underscore Thompson’s argument for trade as leverage to pursue national security aims. Establishing free trade among the surrounding Asia-Pacific countries establishes the conditions to improve their economies, while at the same time, improving U.S. economic and diplomatic ties in the region. The Trans-Pacific Partnership trade agreement, as outlined in the next chapter, is the Obama administration’s strategy to partner with the Asia-Pacific countries in a ‘trading to oppose’ relationship, countering China’s growing influence and hegemonic aspirations. Supporting Thompson’s argument, the TPP provides the potential for improved economies and shared prosperity, dispute resolution, restraint, long-term integration, and most importantly, provides geostrategic influence for U.S. security interests, those not only in pursuit of U.S. economic interests, but also in pursuit of universal values and a rules-based international order.

\textsuperscript{13} Clinton, "America's Pacific Century."
\textsuperscript{14} Tellis, 114
CHAPTER FOUR

THE TRANS-PACIFIC PARTNERSHIP

The TPP is ... a tangible means of demonstrating America’s firm and enduring commitment to the security and prosperity of the Asia Pacific. We know ... that our presence is not just welcome, it's requested in many places; that it matters economically and diplomatically, politically, and not least of all, it matters from a perspective of security.

Secretary of State John Kerry, August 4, 2015

President Obama announced the U.S. entry into the Trans-Pacific Partnership (TPP) negotiations in July 2008, joining the initial four parties of Singapore, New Zealand, Brunei, and Chile. The U.S. assumed leadership of the negotiations as Australia, Vietnam, and Peru subsequently joined; and later, Canada, Mexico, Malaysia, and Japan. The Trans-Pacific Partnership is a pending multilateral free trade agreement between twelve countries (United States, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam). Fundamentally, this trade agreement is intended to increase trade between members, open access to resources, and promote competition, innovation, and efficiency. The TPP aims to "liberalize trade in goods, services, and agriculture; remove barriers to foreign investment; and establish rules governing international trade among the parties." 2

Upon the conclusion of the final TPP talks in Atlanta, Georgia in October 2015, President Obama expressed that the TPP, “strengthens our strategic relationships with our partners and allies in a region that will be vital to the 21st century.” 3 The TPP is the

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cornerstone of the Obama Administration’s famous pivot to Asia, a shift from the focus on the Middle East to East Asia, recognizing the region’s strategic importance to the future prosperity and security of the United States. Secretary of State Kerry remarked, “one of the most important parts of our rebalance is our agenda for shared prosperity in the region – an agenda that begins with trade.”

The trade agreement has attractive potential economic benefits. The twelve member countries account for nearly 40 percent of the world’s economy and 60 percent of world gross domestic product (GDP). The free trade enhanced by the TPP could generate up to $1,922 billion, or 1.9 percent of world GDP. In addition, TPP partners made up 37 percent of total U.S. trade in 2013.

The U.S. goal, or part of its pivot, is to continue its leadership in the region. In his 2015 National Security Strategy, President Obama explained,

The United States has been and will remain a Pacific power. Over the next 5 years, nearly half of all growth outside the United States is expected to come from Asia. That said, the security dynamics of the region—including contested maritime territorial claims and a provocative North Korea—risk escalation and conflict. American leadership will remain essential to shaping the region’s long-term trajectory to enhance stability and security, facilitate trade and commerce through an open and transparent system, and ensure respect for universal rights and freedoms.

Through the TPP, the U.S. can shape the regional economic architecture, fostering prosperity and regional stability, and offering an alternative, or counterweight, to China’s growing influence. As 36 foreign policy officials, representing eight U.S. administrations,

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4 Kerry.
5 Kerry.
stated in a letter to Congress, “strong trade and investment ties between the United States and Asia help provide the necessary foundation for deeper political and security partnerships.”

Thus, the Trans-Pacific Partnership is the keystone policy instrument of Obama’s pivot to Asia. On the one hand the TPP is a lever to control in Thompson’s words, or influence, the surrounding Asia Pacific region. On the other hand, the TPP is also an instrument to facilitate a ‘trading to oppose’ relationship, bolstering the region against China’s rising influence and hegemonic aspirations in the South China Sea. The administration is employing the TPP as much to integrate with the region economically and politically, as it is to oppose China through the strengthening of neighboring economies and alliances.

Dr Sheldon Simon, Chairman of Southeast Asian Studies Advisory Board, explained in a 2015 article that, “a substantial US presence cools the prospect for competitive regional Great Power competition and even possible regional Great Power war.” Another academic has observed “the TPP would be a significant tool in helping to carve out a niche for the U.S. to remain a security ally in the Pacific region.”

The TPP is in part a response to the Asia-only trade negotiations among the Association of Southeast Asian Nations (ASEAN) that include China, Japan, and Korea. China is asserting its influence and is working to establish a China-centered Asian bloc.

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The potential for harm to U.S. national interests are obvious. Strategically, the U.S. cannot afford to fall to an unequal political or strategic position in Asia. A China economic bloc would have a potential economic loss of $25 billion in annual exports and cost the U.S. 200,000 jobs. In addition, the U.S. would face the undermining of the regional institutional architecture of the multilateral and global structures that have grown since the end of the Cold War.

The Tran-Pacific Partnership offers an alternative to the region, and provides a rules-based framework that meets U.S. standards and reaches across the Pacific, to serve in a unifying role between several continents. The TPP reasserts the position of leadership in the region that the U.S. has maintained since 1945.

Because the U.S. is pursuing a prosperity agenda for the region, linking prosperity to economic growth, opportunity, and shared values, Secretary Kerry highlighted that the core goal of the U.S. rebalance to Asia and the TPP is shared prosperity. Kerry stated that the United States, “seeks what most people in this region seek: a place where countries come to each other’s aid when natural disasters strike or humanitarian emergencies arise; a region where the legitimate rights of every state – big or small – are honored; a region where borders are respected and countries cooperate to prevent small disputes from growing into larger ones; a region where disagreements are settled openly, peacefully, and in accordance with the rule of law; a region where the human rights of each and every person are fully respected.”

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14 Gire, 4.
16 Kerry, 6.
Kerry’s remarks reflect the views of Thompson and Froman, that the U.S. is leveraging its economy through the TPP to pursue regional and world stability. Indeed, Kerry’s assertion that prosperity and sustainable development “are nurtured by the freedom to innovate, experiment, and compete economically on a level and open playing field,” echo Thompson’s first security function of trade agreements, that of benefiting from improved economies and associated prosperity. The Obama administration is additionally pursuing regional stability through the TPP by requiring member countries to meet standards that contribute to good governance. Kerry linked the TPP’s standards in labor, corruption, bribery, and fair competition, with support for good governance, transparency, and accountability. The U.S. is employing the trade agreement to enforce norms and standards that reflect a rules-based international order, which further the core interests outlined in the National Security Strategy. Leveraging the TPP in this way demonstrates Thompson’s security function of influence that trade agreements provide to the partner countries, and in the case of the TPP, serve the greater U.S. geostrategic goals in the region.

Closely associated with good governance and regional stability is the U.S. interest in human rights. There is greater recognition today, among international organizations and nation states, of the principle of human security, loosely defined as freedom from want, and freedom from fear. A lack of human security poses security implications for regional and global security, in that it can foment discontent and provide the conditions

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17 Kerry, 3.
18 Ibid.
for the strengthening of violent extremist organizations (VEOs), illicit trafficking, mass migration, and genocide. The U.S. is leveraging its trade policy, to include the TPP, to address human rights standards among participating countries. The White House published a document outlining how the TPP furthers human rights, stating “trade policy should reflect not only our interests, but also our values... we are working through trade to ensure that people everywhere are treated with dignity and respect.”

Further, Froman’s trade strategy outlined the Thompson security function of influence when he remarked, “U.S. trade policy advances broader definitions of international security, including human security and environmental security.” The Obama administration is leveraging TPP as both a tool to pursue respect for and enforcement of human rights, but also as a diplomatic lever to improve diplomatic dialogue on the topic, specifically with Brunei, Malaysia, and Vietnam.

In its pursuit of the Trans-Pacific Partnership, the U.S. seeks its long-term position as the economic and political leader in Asia, fostering regional stability, and encouraging political and economic institutions to partner with the United States.

Eventually, the Asia-only RCEP track and the TPP track may merge into the Free Trade Area of the Asia Pacific (FTAAP), which would encompass both China and the U.S. The prospect of this evolution demonstrates the potential of the region to influence greater world trade, and for the TPP to set the world economic agenda; providing a framework for shared prosperity, but more importantly, diplomatic and political discourse. An

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examination of Vietnam’s strategic interests and the potential effects of their participation in the TPP, demonstrates how the TPP may influence a nation’s internal policies and serve as a vehicle of leverage for the Obama administration to achieve its national security goals.
CHAPTER FIVE
VIETNAM: TRADING TO CONTROL

Our ability to advance democratic values in Asia depends on reassuring friends and allies that we are committed to the region’s security and prosperity. It depends on the United States maintaining a lead role in shaping the development of the region’s institutions and norms. The TPP will enable us to continue playing that role. If we do not, others will and they will not use their leadership to promote universal values of democracy and human rights. Second, the prospect of participation in a completed TPP encourages countries in the region to make progress in human rights and labor rights. This is especially true in the case of Vietnam.

-Assistant Secretary of State Tom Malinowski

Secretary Malinowski’s remarks underscore the power presented by the TPP to influence the course of the Asia Pacific in serving as a platform to pursue longterm U.S. security interests in the region. This chapter addresses the strategic leverage the TPP presents in accomplishing U.S. security interests in Vietnam. In particular, Vietnam demonstrates Thompson’s first function of trade in its pursuit of an improved economy. While the U.S. has less to gain in its TPP relationship with Vietnam and the other member countries economically, it has much to gain strategically. The TPP provides leverage, which relates to Thompson’s trade function of influence or “voice opportunities,” for the U.S. to influence Vietnam to liberalize its economy, support labor reforms, and address issues of human rights.

The multiple opportunities provided by the Trans-Pacific Partnership allows the U.S. to address strategic concerns regarding China, both directly and indirectly. Vietnam in the TPP becomes an indirect counter to China’s regional influence. China’s recent

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1 House Committee on Foreign Affairs Subcommittee on Asia and the Pacific, Retreat or Revival: A Status Report on Democracy in Asia, 114th Cong., 1st sess., 2015, 14.
hegemonic expression of territorial claims in the South China Sea has prompted both the U.S. and Vietnam to look at multilateral cooperation as a means to refute China’s claims. Of Thompson’s security functions, economic considerations, influence, and integration are the prime motivators for the relationship. As this chapter will outline, Vietnam views economic growth as critical to its strategy to counter China’s influence; the U.S. is seeking to gain influence in Vietnam’s policies and its relationship to China; and both the U.S. and Vietnam are seeking a framework for greater integration as they pursue closer economic ties.

Vietnam straddles a geostrategic tightrope with its neighbor to the north. Sino-Vietnamese relations were strengthened through the agreed land border treaty of 1999 and a sea border treaty for the Gulf of Tonkin in 2000, and China and Vietnam share a Communist ideological base, as well as an economic model for marketizing their economies within tight government controls.² China is Vietnam’s largest trading partner and Vietnam’s sixth-largest investor by number of projects, and 14th largest by total capital invested. Additionally, China provides critical manufacturing and construction materials to Vietnamese businesses.³ Nevertheless, China’s recent aggressive actions in the South China Sea have prompted Vietnam to readdress its relationship with China and seek new economic and security partners.

Specifically, China has expressed territorial claims over the Spratly and Paracel Islands. Most recently was the May 2014 incident in which the Chinese deep-water oil rig HS-981 entered Vietnam’s Exclusive Economic Zone (EEZ), along with 100 other

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Chinese vessels and 2 fighter aircraft to protect the oil rig. Not only did this violate the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and the ASEAN-China Declaration of Conduct in the South China Sea, it also violated several treaty agreements between Vietnam and China. As a result Vietnam examined its economic reliance on China and formed a high level research group to advise its leaders of the costs of altering its economic ties with China.

The TPP offers a strategic tool for Vietnam in reduce its dependence on China, establish closer economic and diplomatic relations with the United States, and improve its economy. Underscoring this, Vietnam is projected to reap the greatest economic gains of the TPP members, with a potential 10 percent gain in GDP. However, security concerns are an equal, if not primary, motivation for Vietnam’s participation in the TPP.

From the U.S. point of view, the TPP offers a ‘trading to oppose’ partnership with Vietnam in a strategic balance against China. But the TPP also presents a ‘trading to control’ relationship with the broader East Asian region. Aside from market liberalization requirements, such as elimination of protections for state owned enterprises (SOE), TPP requires Vietnam to guarantee freedom of association, allowing workers to form trade unions of their choosing. Additionally, TPP negotiations have furthered the progress of human rights, with Vietnam ratifying the United Nations Convention Against Torture (UNCAT) in 2014, and Vietnam has pledged to bring its criminal and penal codes into conformity with international human rights standards. Vietnam released prisoners of

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5 Edmund Malesky and Jason Morris-Jung write in *Asian Survey*, in “Vietnam in 2014: Uncertainty and Opportunity in the Wake of the HS-981 Crisis,” “for some, the tremendous size of two-way trade was a reason to placate Chinese demands. For others, however, the oil rig was a golden opportunity to revitalize economic reforms precisely to avoid further dependence on China.”
conscience, reducing the number incarcerated to 110 from 160 two years ago. In 2013, Vietnam convicted 61 people for peaceful political expression; there was only one conviction in the first half of 2015. Secretary Malinowski was confident in his report to the House Foreign Affairs Committee that “without the chance to join TPP, it is not likely Vietnam would have taken any of [these steps] at all.” The opportunity to benefit from the TPP trade partnership has provided leverage for the U.S. to influence the internal policies of Vietnam, demonstrating Thompson’s function of influence, or voice opportunities, that trade agreements provide in the pursuit of security interests.

Aside from the specific requirements levied by the U.S. in TPP membership requirements, the TPP is fostering internal contention among old party hard-liners and reformers, as well as the greater Vietnamese public. The Chinese oil rig crisis in May 2014 sparked wide-spread protests, and a government crackdown, revealing a growing divide between state leadership and the wider Vietnamese society. Critical commentary abounded through petitions, open letters, and collective statements posted online. Sixty-one party members in July 2014, called for Vietnam to “leave off from the mistaken path of socialism and make a definite change towards democracy and the people, most importantly in transforming the political system from totalitarianism to democracy in a decisive but stable way.” Many internal reformers consider the TPP the opportunity to push Vietnam in a new direction. Secretary Malinowski stated in his report, “the reformers most powerful, pragmatic argument is that reform is necessary to secure something everyone in Vietnam, from Communist Pary hardliners to democracy activists,

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6 House Committee, Democracy in Asia, 1.
7 Malesky, 169.
say the country needs and wants: a closer economic and security partnership with the United States."\[8\

Vietnam stands to gain the most economically of all the member countries from the TPP, but more importantly it needs the trade agreement to reduce its dependence on China. For the United States, the TPP establishes a strategic presence in the region, fostering critical strategic relationships and providing opportunity for the United States to invest in the region’s prosperity and long-term stability, while at the same time sowing the seeds of American democratic values. Given the favorable sentiment towards the United States by most Vietnamese, and the fomenting internal political conditions, the TPP stands as a potential catalyst for change at a critical juncture in the future of Vietnam.\[9\

The Trans-Pacific Partnership is furthering the security interests of both Vietnam and the U.S., two countries differing in ideology, culture, and geostrategic position. The two nations have common ground in both their economic interests and concerns regarding China’s rising influence. Demonstrating Thompson’s security functions of trade agreements, the TPP serves as a vehicle to foster economic growth, to share resources, and to to serve as a vehicle for influence on matters beyond trade. The TPP also establishes conditions for long-term integration that support the mutual security interests of the two countries in their efforts to balance against China’s hegemonic aspirations. Froman underscores the implications of the TPP, “Given the recent developments in Asia . . . . tensions over the East China and South China Seas . . . . the strategic implications of U.S. trade policy have rarely been clearer. For many of the

\[8\] House Committee, Democracy in Asia, 14.  
countries that would be party to the TPP, the economic benefits of the agreement are further sweetened by the expectations that the United States will become more deeply embedded in the region . . . . Completing the TPP would underscore Washington’s commitment to development and stability in Asia.”

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CONCLUSION

The U.S. enjoys the most influential position in world affairs due to its strong economy, the faith in the U.S. dollar, and its powerful military. The U.S. economy provides a strong foundation for U.S. national security. Access to U.S. markets without tariffs and other barriers is a powerful negotiation tool for U.S. policy makers to employ in order to achieve not only market access for U.S. businesses, but to gain geostrategic influence with other nations and regions in accomplishing U.S. national security goals. Just as West German Chancellor Adenauer and French Foreign Minister Schuman pursued long-term security through economic integration after World War II, and Presidents Reagan and Bush pursued economic integration through NAFTA as a strategy to protect against Soviet influence, so too is President Obama pursuing geostrategic goals in the Asia-Pacific through the TPP. The Trans-Pacific Partnership allows the U.S. to address strategic concerns regarding China, and to influence the surrounding countries as a counter to China’s rising regional influence.

The national security of the U.S. is inextricably linked to its continued prosperity and equally to the prosperity of its allies and adversaries. Trade policy aims to protect a state’s livelihood by fostering favorable conditions for its exports, and while at the same time protecting critical industries, resources or sensitive technologies. Less recognized has been the employment of trade agreements as a powerful policy tool to achieve a nation’s security aims. As Michael Froman stated, “In recent decades, leaders have come to see the economic clout that trade produces as more than merely a purse for military
prowess: they now understand prosperity to be the principal means by which countries measure and exercise power."\(^1\)

The mutual fostering of prosperity through free trade is a diplomatic lever that has the power to surmount differences, establish common interests, and reduce tensions. The universally shared interest in economic gain positions the U.S. at a significant advantage internationally. The U.S. can leverage its domestic markets to design the international economic architecture to reflect the principles and values of U.S. enduring national interests, and gain geostrategic influence with other nations and regions in accomplishing U.S. national security goals.

This paper has demonstrated how the United States is leveraging its economy and influence in order to pursue the aims of its national security strategy, to include protecting the long-term security of its citizens and allies, pursuing a strong economy nested in an open international system; and increasingly, investing in the spread of universal human values and the upholding of a rules-based, cooperative, international order.

President Barack Obama’s strategic “pivot to Asia,” and the Trans-Pacific Partnership (TPP) demonstrate both Thompson’s principles of ‘trading to oppose’ and ‘trading to control.’ In the former, the TPP leverages the combined economies of the twelve partner nations to increase the shared power of the partner countries in a counterweight to China; in the latter, the participating countries, not the least of which the U.S., gain leverage among member countries regarding shared security concerns and

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domestic policies. The TPP offers the five security functions outlined by Thompson, in that member countries anticipate 1) improved economies and an associated increase in relative power; 2) that the TPP offers dispute resolution, and 3) will impose restraint due to the economic risk associated with belligerence; 4) the TPP offers opportunity for influence among member countries on matters beyond trade, and lastly, 5) the function of integration, binding the member countries economically and diplomatically through trade.

The TPP further provides a ‘trading to control’ mechanism to accomplish U.S. geostrategic interests in the Asia-Pacific, as exemplified in the relationship with Vietnam. Through the TPP architecture, framed to reflect U.S. market standards and national interests, the U.S. is influencing the internal policies of Vietnam, with the long-term prospect of Vietnam instituting market reforms and improving its human rights policies; and ultimately, the U.S. stands to gain a strategic partner in the region in countering China’s rising influence.

The United States continues to leverage its economic leadership to pursue an international trade framework that not only will fuel the U.S. economy, but offers the promise of improving prosperity for others and potentially achieve needed stability in fragile parts of the world. As the United States trade representative Froman states, “In a world where markets can have as much influence as militaries, any tension between the United States’ national security priorities and its economic goals is more apparent than real.”
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VITA

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