

LIVE IN THE APP OF LUXURY

The new **FREE**
How To Spend It
iPad app

CLICK HERE TO DOWNLOAD



FINANCIAL TIMES



Kishore Mahbubani

November 23, 2011

[Print](#) [Email](#) [Share](#) [Clip this](#)

23

21

17

AMERICA • CHINA • FOREIGN POLICY

[Jump to response by Jonathan Fenby](#)

The new Asian great game

There was a time when European summits would provide glimpses of the future world order. Those times are gone. Today, those searching for portents of thing to come will have to look at East Asian Summits, like the one that just ended in Bali, Indonesia.

The US and Russia participated for the first time. The Association of Southeast Asian Nations, the hosts of the EAS, did not push for their participation. Instead, both asked to be invited. Why did Washington decide to add another overseas summit to Barack Obama's already heavy schedule? The answer is China.

Throughout history, the most important geopolitical relationship has been between the world's greatest power – currently the US – and the world's greatest emerging power – currently China. Normally, we should have seen rising geopolitical tensions between the two. Instead, we have witnessed unusual calm.

That era is now coming to an end. Two factors have triggered this. Notably, a series of unfortunate foreign policy missteps by China in 2009 and last year (such as the fishing boat incident, the North Korean shelling, aggressive statements on the South China Sea and the mishandling of President Obama's visit in November 2009) tore away the carefully cultivated perception of China "rising peacefully". Hence, concerns about China's ascent have grown in

the region and in the US.

Secondly, a once-confident US that viewed China's rise with equanimity is now replaced with a US that is feeling weaker and more insecure. This is why Mitt Romney, who is otherwise calm and centrist in his foreign policy positions, has decided to go on a China-bashing campaign, preying on concerns that the Chinese are taking more and more US jobs. It will win him votes.

For years, China tried to avoid waking up the American "sleeping tiger". Now the tiger is stirring. A new great game is beginning.

It would be wise for Beijing to take heed of this rising angst in the American and global body politic. So far, China has fiercely resisted American calls for a meaningful re-evaluation of the renminbi. This is why Premier Wen Jiabao's decision to request an additional meeting with President Obama in Bali and to signal that he would allow the renminbi to be traded more flexibly were important steps. Equally significantly, Mr Wen's pledge on currency reform was carried by China Central Television. Clearly a high-level decision has been made by Beijing to address American concerns. The EAS provided the best venue for the world's two greatest powers to talk to each other as tensions rose.

All this has also demonstrated the wisdom of ASEAN in moving towards open architecture regional reforms, instead of the European-style rigidly legal multilateral fora. There was no extended process to admit the US and Russia into the EAS. Instead a calm, pragmatic approach paved the way for their entry.

The region will certainly benefit if Washington engages with east Asia more fully. The US decision to boost the Trans-Pacific Partnership had already provided a powerful signal that it will not allow China to dominate the regional cooperation processes, even though it comes ten years after Beijing signed the Asean-China free trade agreement. But the US push for the TPP also reflects a new economic reality. Last year US exports to east Asia were, for the first time, larger than US exports to Europe.

A certain degree of geopolitical rivalry between Washington and Beijing – as long as it does not get too focused on military prowess – may be healthy for the region. Both should compete to provide visions of how they can create better forms of regional and global cooperation. Economic cooperation is a

win-win and not a zero-sum game.

These two competing visions will provide glimpses of the new world order that will emerge. Yan Xuetong, a scholar at Tsinghua University, has wisely advised China that in the inevitable contest between the two powers, “it is the battle for people’s hearts and minds that will determine who eventually prevails. And as China’s ancient philosophers predicted, the country that displays more humane authority will win”.

If the new great game between America and China plays out along these lines, the world should breathe a sigh of relief. If not, we are headed for “interesting times”, to use a popular expression. Stay tuned to future EAS meetings to understand our new world.

The writer is dean of the Lee Kuan Yew School of Public Policy, National University of Singapore, and author of ‘The New Asian Hemisphere’

Response by Jonathan Fenby

China must get its foreign policy house in order if it wants greater geopolitical influence

The recent flurry of Asia-Pacific summits is, indeed, a clear sign of the shifting global balance, as Kishore Mahbubani rightly points out. But they also raise pertinent questions at a more basic level than the “humane authority” advocated by Yan Xuetong (which, itself, involves some tricky questions where China is concerned).

What is striking about the evolving regional situation is the extent to which China has walked into trouble. Under Deng Xiaoping, it followed a policy of “biding time and hiding one’s talents” while it grew economically. That has been abandoned. But Beijing has failed to craft a coherent regional – let alone global – policy in its place as interest groups, from the army to the export lobby, make their influence felt. The foreign ministry appears to have little clout.

Regionally, China says it is all for cooperation and variable geometry with Asean but it has generally sought to deal with its neighbours on a bilateral basis. Its insistence that it has sovereignty over the whole of the South China

Sea runs into claims from other states, notably Vietnam and the Philippines. Its trawlers have got into a series of maritime clashes against the backdrop of tough nationalistic rhetoric from Global Times, the Communist party tabloid. Though small in scale, such incidents and the underlying tussle for under-sea energy deposits have served only to remind smaller east Asia states (not to mention Japan and South Korea) that their security depends on the US. In some cases it has driven them into one another's arms.

China's problems are compounded by the shift of focus by the Obama administration to the Asia-Pacific region. This has been in the making ever since Hillary Clinton spoke last year of her country as a "resident power" in the area, and asserted that freedom of navigation in the South China Sea was a US national interest. Barack Obama's recent bid to boost the Trans-Pacific Partnership, which does not include China, was a clear sign of intent in spreading the US push from the post-1945 strategic underpinning of east Asia to the economic sphere. Beyond the immediate region, the US is scoring points in Australia and India in a way Beijing cannot enjoy.

If there is to be the kind of cooperative progress of which Mr Mahbubani writes, China is going to have to put its rickety foreign policy house in order and raise its game. That is not the kind of lesson Beijing relishes or will find it easy.

The writer is head of China research at Trusted Sources, the research service

Back to top



