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AS ASIA RISES

*HOW THE WEST CAN ENLARGE ITS COMMUNITY OF VALUES AND INTERESTS
IN THE INDO-PACIFIC REGION*

DANIEL TWINING

THE GERMAN MARSHALL FUND OF THE UNITED STATES

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By Daniel Twining*

The German Marshall Fund of the United States

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1 A CHINESE CENTURY? DON'T BET ON IT

For some observers, American economic weakness, Europe's uncertain geopolitical and demographic future, turmoil in the wider Middle East, and challengers to Western leadership from Moscow to Tehran signal a new moment in world politics. It is characterized by the decline of free nations whose power and principles have shaped international society for centuries—and the emergence of an autocratic Chinese superpower whose seemingly unstoppable economic ascent shatters the comfortable belief that capitalist development leads to democracy. Should the liberal West brace itself for the global projection of Beijing's model of authoritarian modernity in preparation for the time "when China rules the world?"¹

Not yet. China's geopolitical ascent is creating what Mao Zedong would have termed a "contradiction": China's rising power makes the United States increasingly important to nearly every Asian nation, including China itself. By and large, Asian leaders seek closer (if more equal) relations with Washington, scold their U.S. counterparts for neglecting the region, are insecure about hints of any American pullback, and increasingly identify democratic political values as a basis for closer cooperation with America and each other. Popular majorities in countries as diverse as Japan, India, South Korea, Australia, Indonesia, and Vietnam hold the United States in high regard. Even China cultivates America as its most important external partner. North Korea's totalitarian ruler covets a special relationship with Washington and has developed nuclear weapons in a perverse effort to secure it.

Leaders in Beijing increasingly appear to believe that China's growing economic and military might will enable it to dominate Asia. But shared political

values, as well as changing constellations of power, are shaping the region's strategic landscape. Even as they deepen their economic and diplomatic ties to China, big Asian democracies are building values-based strategic partnerships because they understand that peace and democracy are "inseparable," as Indonesia's foreign minister puts it.² India's prime minister says his country can only be secure in a region of democracies. Japan's leadership hopes to build an "East Asian Community" modeled on the liberal principles of the European Union, and Southeast Asian leaders have declared that regional stability requires democracy at home and abroad.³ These are the stirrings of a different Asian century from the one China's leaders envisage.

These trends give the United States a promising opportunity to shape an emerging Asia-Pacific era. It should seize it—not only through bilateral regional initiatives, but by working in concert with European allies to intensify transatlantic engagement with Asia in ways that unite Atlantic and Pacific democracies in patterns of closer cooperation and sustain a common outlook on China while engaging the country from a position of strength. The Asia-Pacific region encompasses half of humanity, includes five nuclear powers, and soon will contain the world's four largest economies and biggest navies. The present historical moment offers the West a fleeting chance to shape emerging Asia in ways that preserve a privileged position of leadership and strengthen pluralism in the world's most dynamic region.

² Cited in Donald Greenlees, "Indonesia Courts Role as Peacemaker in the Muslim World," *International Herald Tribune*, May 21, 2007.

³ For citations and further discussion, see Michael Green and Daniel Twining, "Democracy and American Grand Strategy in Asia: The Realist Principles Behind an Enduring Idealism," *Contemporary Southeast Asia* 30, No. 1 (2008), pp. 1-28; Ko Hirano "China Wary of Hatoyama's 'East Asian Community,'" *Japan Times*, Oct. 3, 2009.

¹ Martin Jacques, *When China Rules the World: The Rise of the Middle Kingdom and the End of the Western World* (London, U.K.: Allen Lane, 2009).

Should the liberal West brace itself for the global projection of Beijing's model of authoritarian modernity in preparation for the time "when China rules the world?" Not yet.

If the transatlantic democracies, led by the United States, don't work with Indo-Pacific partners to build an enduring foundation for global order as five centuries of Western dominance in international relations give way to a new era, others not guided by similar political values will.

Despite the widely trumpeted power shift, most Asian leaders express a clear preference for U.S. leadership and are far more comfortable living in a world in which American power, rather than Chinese, is preponderant. If the transatlantic democracies, led by the United States, don't work with Indo-Pacific partners to build an enduring foundation for global order as five centuries of Western dominance in international relations give way to a new era, others not guided by similar

political values will—and neither Americans nor Europeans may like the results. Smart policy now can help ensure that the new age dawning will not be “someone else's century,” as Secretary of State Condoleezza Rice warned before leaving office.⁴

⁴ Condoleezza Rice, “Remarks at the Centennial Dinner for the Economic Club of New York,” New York, June 7, 2007, <http://merln.ndu.edu/archivepdf/nss/state/86200.pdf>.

2 ASIA'S RESURGENCE: A PRODUCT OF THE WEST'S VICTORY IN THE COLD WAR

The transatlantic community should not despair over Asia's return to economic leadership. In a globalized world, Asian resurgence need not mean Western decline or marginalization. Indeed, Americans and Europeans should celebrate the global spread of political and economic modernity through market capitalism and good governance as a historic success for the transatlantic allies. Only since the end of the Cold War can we speak of an international system that is truly global in scope, one that does not exclude (or treat as mere subjects) much of humankind—unlike the European great power order of the 17th to early 20th centuries, the British imperial system, and the Cold War order.

Following the collapse of the Soviet empire and the expansion of free markets and open politics across what used to be called the Third World, the liberal international order the United States constructed with its European and Japanese allies within their shared Cold War sphere has gone global. This represents the ultimate victory of Western ideals in the long twilight struggle from 1947-1989.

With wise leadership, the United States—and its European allies, should they choose to more closely bind their power and influence with each other and America rather than decouple or retreat—can thrive in the emerging 21st century international system. America will remain the world's indispensable nation. Ideally, it will do so in partnership with a vibrant, outward-looking Europe that can build deeper ties with Asian giants in a way that sustains a preponderance of democratic power in international affairs. A global coalition among militarily capable, like-minded partners from North America, Europe, and Asia would not seek to draw new geopolitical dividing lines. Rather, it would allow Western powers and their natural allies in Asia to collectively shape, and prosper in, a global system amenable to the values and interests of open societies.

Complacency has no place in this vision: no one should take the current international system for granted. A “world without the West”⁵ would be violent, chaotic, and illiberal, reversing the rising tide of prosperity and human liberty that has characterized the past two centuries. Every North American and European has a stake in collaborating to channel Asia's rise in ways that sustain a liberal international order that has produced greater levels of freedom and welfare for more people than any other.

Other great powers will challenge Western leadership. But with sustained technological and economic dynamism at home (including a determined effort to tackle crippling government deficits and national debts), a continued commitment to mobilize public support for international stewardship, smart diplomacy, and vigorous global engagement, the United States will remain well-placed to manage challenges from any imaginable great power adversary. Europe's capacities are more uncertain. But by more effectively bundling the power of its member states with each other and that of America, it should find the means to punch its considerable weight in international affairs. There should be no doubt that the United States benefits, and gains greater leverage on core international objectives, from shared European leadership to sustain a liberal and peaceful global order as the balance of power shifts eastward.

The greatest danger to the West may not be that resurgent Asian states will challenge its leadership of the international system through force of arms. Rather, an underappreciated risk is that rising powers like China will not assume their share of

⁵ National Intelligence Council, *Global Trends 2025: A Transformed World* (Washington, DC: Government Printing Office, 2008), http://www.dni.gov/nic/NIC_2025_project.html.

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responsibility for the provision of international public goods that undergird the liberal order— from sustaining an open international economy to tackling climate change to upholding the security of sea-lanes and cyberspace to managing energy scarcity on an increasingly crowded planet. The greatest challenge for the United States and Europe

in coming decades may not be fending off peer competitors in zero-sum military conflicts, but vesting rising powers with responsibilities for global governance commensurate with their international clout and their status as beneficiaries of an international order sustained disproportionately by Western leadership.

3 ASIA'S RISE IN HISTORICAL CONTEXT

Until quite recently, Europeans and Americans were accustomed to seeing Asia as old and culturally rich, but relatively weak, unstable, and poor.⁶ Asians often view the “normal” state of their region quite differently. Until 1800, about three-fifths of the world’s commerce and production took place in and around China and India. So did much of the world’s scientific and technological progress, including the classical Chinese invention of paper, explosives, and printing, and medieval India’s launch of modern mathematics. As late as the 1820s, when Andrew Jackson planned the first U.S. diplomatic mission across the Pacific, Asia still accounted for over half of global GDP.⁷

Over the next 150 years, Western technology and industry left Asia behind, while European, and later Japanese, imperialism destroyed indigenous political systems. By the 1970s, after the Cultural Revolution in China and decades of India’s self-imposed economic isolation, Asia’s share of the world economy had fallen to roughly 15 percent—likely the low point in human history.

Asia’s fortunes then changed. Regional politics have stabilized: although little more than a cold peace prevails among some Asian states, the 30 years from the 1979 Sino-Vietnamese War marks the longest period without military conflict among Asian powers since the 17th century. Societies have been transformed: city dwellers—the drivers of growth around the world—are now the majority of Asia’s population. Asian economies have been lifted by savings and education, export success, and integration, as trade barriers fell, infrastructure

transformed, and Northeast Asia’s wealthy, technologically sophisticated economies shifted much of their industrial production to giant, low-cost China. More recently, India has emerged as the world’s second-fastest-growing major economy. Asian science has recovered as well, with Japan, Taiwan, and South Korea enjoying some of the world’s highest ratios of research spending to GDP. Chinese and Indian students lead the ranks of foreign science and engineering students in Western universities and in some cases make up majorities of American and British graduate school bodies in key fields of scientific endeavor.

Asia’s share of world GDP accordingly has doubled in a generation, from 17 percent in 1980 to over 35 percent today. Although lacking a common market like North America and Europe, Asia’s share of global GDP is higher than that of the United States and the European Union, each of which accounts for just over a quarter of world economic output.⁸ Economic revival is in turn reshaping Asian politics and diplomacy. Subregions once divided by limited economic exchange, Cold War politics, and geographic barriers have increasingly fused into an integrated pan-Asian space. This has been a function of Japan’s heavy investments in China and Southeast Asia; China’s and India’s abandonment of economic autarky; China’s emergence as a regional manufacturing hub, driven by external direct investment; the development of regional institutions that bridge South, Southeast, and East Asia; and India’s diplomatic and economic integration with Southeast and East Asia. Moreover, Asian countries, like European states in the 1950s and 1960s, are growing more comfortable setting their own agenda without U.S. participation, as institutional innovations and summits like ASEAN+3 and the East Asia Summit show.

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⁶ This section is drawn from Edward Gresser and Daniel Twining, *NBR Analysis: Shock of the New—Congress and Asia in 2009* (Washington, DC: National Bureau of Asian Research, 2009), http://www.nbr.org/publications/analysis/pdf/Analysis_91.pdf.

⁷ Angus Maddison, *The World Economy: A Millennial Perspective* (Paris, France: Organisation for Economic Co-operation and Development, 2001), p. 263.

⁸ International Monetary Fund, “Asia’s Role in the World Economy,” *Finance and Development* 43, No. Jun. 2, 2006, <http://www.imf.org/external/pubs/ft/fandd/2006/06/picture.htm>.

The rural, impoverished, and weak Asia of the 20th century is gone and transatlantic policymakers who came of age during the Cold War need to adjust.

To be sure, old-fashioned geopolitical competition for power, prestige, and security is alive and well in this region of rising great powers and lesser states that live in their shadow. Contests for influence between China and Japan, China and India, and the United States and China are, if anything, growing more intense, with grave implications for regional stability despite countervailing trends of multilateral cooperation and economic interdependence.⁹ Competition between rising powers like India and China may well be more vigorous over coming decades than between rising powers like China and established powers in the West.

⁹ For excellent overviews, see Brahma Chellaney, *Asian Juggernaut: The Rise of China, India, and Japan* (New Delhi, India: HarperCollins, 2006); and Bill Emmott, *Rivals: How the Power Struggle Between India, China and Japan Will Shape Our Next Decade* (London, U.K.: Harcourt, 2008).

“Frozen conflicts” in the Taiwan Strait and on the Korean peninsula, if mishandled, could bring major powers into direct military confrontation. Asian growth relies too heavily on tapped-out Western consumers and too little on domestic demand, while depending more heavily on volatile Middle Eastern and African energy supplies. East Asia’s populations—led by Japan, to be followed soon by China—are aging rapidly, creating demographic constraints on economic growth and power projection. The environmental stress on China and India is a challenge greater than anything the West experienced during its modernization.

Yet as with the Asian financial crisis of 1997–1998, these are challenges rather than impassable obstacles. The rural, impoverished, and weak Asia of the 20th century is gone and transatlantic policymakers who came of age during the Cold War need to adjust.

4 STRATEGIC TRENDS IN ASIA

Fueled by rapid economic modernization, Asia arguably has transformed more than any other region since the end of the Cold War. Key developments include: (1) China's considerable expansion of its military capabilities and the international influence it derives from the scale and pace of its economic growth; (2) Japan's gradual and U.S.-prodded "normalization" as a great power even as its relative capabilities are eroded by Asia's power shift; (3) India's ascent to the top tier of rising world powers and its frontline role as an Asian balancer; (4) the deepening of Asian regionalism and competition between leading Pacific powers over the form and scope of Asia's emerging institutions; and (5) the spread of democracy, and strategic cooperation among Asia-Pacific democracies, as a source of regional order. These key trends, in turn, are impacting the role of the United States, with important implications for both Asia and the West.

China's growing influence

China's growth across the full spectrum of national capabilities has made it a potential Asian hegemon and ascendant world power in the span of just a few decades. China spends more on its military than any country save the United States. It is deploying new capabilities for extra-regional power projection, including a rapidly expanding air force and blue-water navy. Its offensive ballistic missile buildup gives it new means for possible coercion within its region.

China has become the largest trading partner of many of its neighbors, fuelling wider Asian prosperity but raising hard questions about the risks of dependency on a non-allied, non-democratic power with revisionist ambitions. Polling shows that pluralities or majorities in a number of countries deem China an important economic partner but at the same time a potential

security threat.¹⁰ Beijing's rising power and uncertain intentions stir lesser Asian states' well-founded historical wariness of their giant neighbor. China's military buildup also intensifies a security dilemma that motivates Japan, India, South Korea, and Southeast Asian states to expand the roles and capabilities of their armed forces, creating the risk of spirals of insecurity as Asian great and regional powers aggressively pursue military modernization.

While China remains an economic magnet for its neighbors, the events of the past few years demonstrate the limits of the attractive power of China's model of authoritarian development. Witness, for instance, the largely hostile world reaction to China's suppression of uprisings in Tibet and Xinjiang, and Beijing's veto of any binding commitments (not only on itself but with respect to the developed nations) at the Copenhagen climate change talks. Within its region, thanks partly to uncertainty over its intentions inspired by the opaqueness of its political system, China's resurgence inspires concern as well as admiration. For neighboring states, therefore, partnership with a benign, distant balancing power remains attractive. As Singapore's ambassador to Washington, Chan Heng Chee, has said, many Asian leaders prefer an "asymmetrically multipolar" regional order in which the United States is the strongest of several centers of strength, allowing smaller Asian states to preserve a regional pluralism of power by "borrow[ing] weight to balance the giants that bestride the scene."¹¹

¹⁰ See for instance "World Still Wary of Modern China," BBC News, Aug. 4, 2008, <http://news.bbc.co.uk/2/hi/asia-pacific/7540871.stm>.

¹¹ Chan Heng Chee, "China and ASEAN: A Growing Relationship," Remarks to the Asia Society Texas Annual Ambassador's Forum and Corporate Conference, Houston, Feb. 3, 2006, http://app.mfa.gov.sg/pr/read_content.asp?View,4416.

China's resurgence inspires concern as well as admiration. For neighboring states, therefore, partnership with a benign, distant balancing power remains attractive.

Even if Chinese leaders want their country to emerge as a “status quo superpower,” the size and scale of its displacement of existing balances may make that impossible; China’s impact on the international system may simply be too great, irrespective of Beijing’s intentions.

Debate continues over whether China is fundamentally a revisionist power with aggressive intentions or a status quo power that continues to benefit enormously from the existing international system. However, the intentions of its leaders may be the wrong variable by which to judge China’s ambitions. Even if Chinese leaders want their country to emerge as a “status quo superpower,” the size and scale of its displacement of existing balances may make that impossible; China’s impact on the international system may simply be too great, irrespective of Beijing’s intentions. China may well emerge as a strategic competitor to the United States by virtue of the structural imperatives that confront a rising world power determined to secure its ever-expanding interests, irrespective of its leaders’ ambitions to pursue a “peaceful rise.”

China’s military modernization continues at an unprecedented pace and is oriented around denying U.S. access to the region and exploiting unique U.S. vulnerabilities. China continues to claim vast tracts of territory in India, fueling tension along the world’s longest unresolved border. Beijing has not matched its willingness to resolve land boundary disputes with other neighbors with a similar willingness to resolve competing maritime claims, as continuing frictions with Southeast Asian states over China’s expansive claims to the South China Sea attest. Moreover, Chinese nationalism could place pressure on leaders in Beijing to assume a more provocative external posture.

However, by virtue of its Asian alliances and broad regional acceptance of its still-preponderant power along the Pacific rim, the United States is well positioned to respond to China should it assume a more aggressive regional course or challenge the values underpinning Western leadership of the international system. Chinese leaders understand this clearly and openly acknowledge America’s staying power in the region and globally.

A “Normal” Japan?

Historically, Japan has shown a striking ability to rapidly transform itself in response to international conditions, as seen in the Meiji break from isolation, the rise to great power in the 20th century, the descent into militarism, and renewal as a dynamic trading state. The conventional narrative about the rise of China and India has obscured the continued relevance of Japanese power: it has the world’s second-largest economy, a navy three times the size of Great Britain’s, an advantageous geographic position, an enduring alliance with the United States, considerable soft power in Asia,¹² and a propensity to reform and renew itself in the face of structural challenges from the international system.

Japan is struggling to become a “normal” power, and astute commentators recognize that it, no less than China and India, will shape Asia’s strategic future.¹³ Since the mid-1990s, Washington and Tokyo have used the framework of their alliance to expand Japan’s security roles and capabilities, moving it systematically in the direction of becoming a regional and global security provider. Japan has taken on new responsibilities within the alliance, developed important new capabilities for power projection, and, in a historic first, deployed its Self Defense Forces to the Afghan and Iraq theaters of war. Successive Japanese prime ministers have articulated unprecedented ambitions for Japanese grand strategy. These have included: casting Japan as the “thought leader of

¹² Christopher Whitney and David Shambaugh, *Soft Power in Asia: Results of a 2008 Multinational Survey of Public Opinion*, Chicago Council on Global Affairs, Jun. 2008, http://www.thechicagocouncil.org/UserFiles/File/POS_Topline%20Reports/Asia%20Soft%20Power%202008/Chicago%20Council%20Soft%20Power%20Report-%20Final%206-11-08.pdf.

¹³ Pyle, Kenneth, *Japan Rising: The Resurgence of Japanese Power and Purpose* (New York, NY: PublicAffairs, 2007); Richard Samuels, *Securing Japan: Tokyo’s Grand Strategy and the Future of East Asia* (Ithaca, NY: Cornell University Press, 2007).

Asia,” forging new bilateral alliances with India and Australia, cooperating with these and other democratic powers in an “Arc of Freedom and Prosperity,” formalizing security cooperation with NATO, constructing a Pacific community around an “inland sea” centered on Japan as the hub of the international economic and political order, and building a “fraternal” East Asian community with Japan at its center.¹⁴

Japan’s strategic future remains uncertain in light of the country’s churning domestic politics and troubling economic and demographic trends. Yet there is no question that military modernization in China and North Korea has spurred a new Japanese search for security and identity that has moved Tokyo decisively beyond the constraints that structured its foreign policy for 50 years following defeat in the Pacific War. Arguably, the ascent of the Democratic Party of Japan (DPJ), with its calls for a more equal U.S.-Japan alliance and greater Japanese independence in security and diplomacy, is yet another step forward in Japan’s transformation into what DPJ leader Ichiro Ozawa famously called a “normal country.”¹⁵

India’s ascent

The West has a unique strategic opportunity with India, which in many respects resembles America

¹⁴ Taro Aso, “Asian Strategy as I See it: Japan as the Thought Leader of Asia,” Tokyo, Dec. 7, 2005, <http://www.mofa.go.jp/announce/fm/aso/speech0512>; Shinzo Abe, *Utsukushii Kunihe (Towards a Beautiful Country)*, Tokyo: Bunshun Shinsho, 2006; Taro Aso, “Arc of Freedom and Prosperity: Japan’s Expanding Diplomatic Horizons,” Tokyo, Nov. 30, 2006, <http://www.mofa.go.jp/announce/fm/aso/speech0611.html>; Yasuo Fukuda, “When the Pacific Ocean Becomes an ‘Inland Sea,’” Speech to the 14th International Conference on the Future of Asia, Tokyo, May 22, 2008, <http://www.mofa.go.jp/region/asia-paci/speech0805-2.html>; Yukio Hatoyama, “Japan’s New Commitment to Asia: Toward the Realization of an East Asian Community,” Remarks to the S. Rajaratnam School of International Studies, Singapore, Nov. 15, 2009, http://www.kantei.go.jp/foreign/hatoyama/statement/200911/15singapore_e.html.

¹⁵ Ichiro Ozawa, *Blueprint for a New Japan: The Rethinking of a Nation* (Tokyo, Japan: Kodansha International, 1994).

just over a century ago. It is a pluralistic democracy with a self-exceptional regard experiencing rapid economic growth and moving from regional to global power. While the long-term trend of closer partnership is clear, Indian cooperation with the United States and Europe will not be easy or automatic. Both sides will face particular challenges working together effectively on climate change, trade, and other global issues where different levels of development complicate multilateral cooperation. However, few other countries share a convergence of interests across the political, economic, and military spectrums like that shared by the United States and India. As it develops, this partnership could provide a democratic anchor of stability and security both regionally and in the emerging international order.

China launched economic reforms almost 15 years before India, and economically India today remains roughly that far behind China. However, it has important long-term advantages—a younger workforce, a promising demographic profile, and a political system that can accommodate change—and is therefore less prone to political convulsion. India’s “demographic dividend” will produce a rising working-age population at a time when China is graying dramatically; many expect the long-term trend rate of Indian economic growth to surpass China’s within a decade.¹⁶ India also has a geographic position in many ways superior to China’s. It sits at the center of its own sea, with the energy resources of the Middle East and Central Asia on one side and the growing economies in Asia on the other.

India, like China, also needs to be able to move beyond its region to lead on the global stage. Unlike China, whose neighbors include a number

¹⁶ Tushar Poddar and Eva Yi, “India’s Rising Growth Potential,” Global Economics Paper No. 152 (New York, NY: Goldman Sachs, Jan. 22, 2007), http://www.usindiafriendship.net/viewpoints1/Indias_Rising_Growth_Potential.pdf.

The West has a unique strategic opportunity with India, which in many respects resembles America just over a century ago: it is a pluralistic democracy with a self-exceptional regard experiencing rapid economic growth and moving from regional to global power.

It is notable that Asian institution-building has been characterized as much by competition between regional powers to set its terms and scope as by cooperation to construct a new Asian community.

of strong and capable states, India is surrounded by weak and failing ones. There is a role for the West in encouraging India to use its economic magnetism and its considerable potential soft power as a thriving democracy to help transform its region into one that is prosperous, well-governed, and secure. India naturally should be the engine of economic integration in South and Central Asia; New Delhi has a compelling interest in overcoming political obstacles to realizing this vision. Otherwise, India's global rise risks being undercut by the problems of its region, including poor governance, terrorism, and lack of economic integration. India will also need to invest in its human capital and mobilize its people to embrace the international responsibilities that accompany great power.

Asian regionalism

A fourth key trend defining Asia's strategic outlook is the rise of Asian regionalism. It is notable that Asian institution-building has been characterized as much by competition between regional powers to set its terms and scope as by cooperation to construct a new Asian community. Since the mid-1990s, Japan and China have viewed Asian regionalism as one arena in which to play out their contest for status and influence, demonstrated most dramatically in the run-up to the inaugural East Asia Summit in 2005.

In addition to competition between big Asian powers to drive regional institution-building in ways that maximize their influence, Asian regionalism has also been impacted by a two-decade-long wave of democratization in East and Southeast Asia that has changed the domestic composition of key states like Indonesia. This, in turn, has affected the terms by which such states relate to their neighbors. Key uncertainties include whether Asia can sustain an open regionalism that includes the United States and other friendly

powers, and for those more exclusive Asian forums that do not, whether they can retain sufficient pluralism to protect the autonomous interests of smaller states from being trampled by regional giants, led by China.

That said, fears of an insular Asian economic and political bloc are probably overblown. Most Asian states prefer a form of open regionalism that includes the United States and friendly powers like India and Australia. New institutions could include a free-trade area of the Pacific tying together the world's most dynamic economies. They could include a formalized Asian great power concert, for which the Six-Party Talks about North Korea's nuclear program have laid a foundation. Deepening partnerships among Asian democracies are also likely, whether in the form of a U.S.-Japanese-Indian-Australian quadrilateral, U.S.-Japan-Australia and U.S.-Japan-India trilaterals, more formalized ties linking militarily capable Asian democracies with NATO partners, or a broader grouping of democracies dedicated to promoting good governance and rule of law in forums like the Asia-Pacific Democracy Partnership.

Values-based cooperation

Asian nations have been overly dependent on U.S. military power to maintain regional peace. This has led officials in Japan and elsewhere to call for a greater focus on community-building within Asia in pursuit of a more "fraternal" approach to regional order.¹⁷ But without a consensus on the sources of domestic legitimacy, Asian regional institutions cannot replicate the peace of Europe. In an Asia divided by history and culture, democracy provides a transnational identity that is creating a new basis for regional cooperation—linkages built

¹⁷ Yukio Hatoyama, "A New Path for Japan," *New York Times*, Aug. 26, 2009.

around values, democratic security, and a liberal belief in open markets that European states would be wise to tap into in pursuit of the global influence the European Union aspires to wield.

Japan has inked a security pact with Australia, Tokyo's first outside its U.S. alliance.¹⁸ India and Japan are constructing a pan-Asian partnership with extraordinary economic and military potential.¹⁹ The United States is pursuing strategic trilateralism with Japan and Australia, on the one hand, and Japan and India, on the other.²⁰ Japan made the first efforts to link itself with India, Australia, and the United States in what Chinese strategists feared could become an "Asian NATO."²¹ Australia has operationalized security pacts with Indonesia and India, taking defense relations with both to a qualitatively higher level.²² Indonesia is actively debating a "post-ASEAN foreign policy" that would reject the principle of non-interference in neighbors' internal affairs in favor of a robust commitment to the promotion of good governance and human rights abroad as

¹⁸ Department of Foreign Affairs and Trade, Australian Government, "Australia-Japan Joint Declaration on Security Cooperation," Mar. 13, 2007 http://www.dfat.gov.au/geo/japan/aus_jap_security_dec.html.

¹⁹ Anil Joseph, "India, Japan Ink Security Pact," *Hindustan Times*, Oct. 22, 2008.

²⁰ See for instance *Joint Statement, Australia-Japan-United States, Trilateral Strategic Dialogue*, Sydney, Mar. 18, 2006, http://www.foreignminister.gov.au/releases/2006/joint_statement-aus-japan_usa_180306.html; Hillary Clinton, "Remarks on Regional Architecture in Asia: Principles and Priorities," Remarks at the East-West Center, Honolulu, Hawaii, Jan. 12, 2010, <http://www.state.gov/secretary/rm/2010/01/135090.htm>.

²¹ "Commentary: U.S. Dreams of Asian NATO," *China Daily*, Jul. 18, 2003.

²² Department of Foreign Affairs and Trade, Australian Government, "Joint Declaration on Comprehensive Partnership Between Australia and the Republic of Indonesia," Canberra, Apr. 4, 2005, http://www.dfat.gov.au/GEO/indonesia/comprehensive_partnership_1105.html; Office of the Prime Minister of Australia, "India-Australia Joint Declaration on Security Cooperation," New Delhi, Nov. 12, 2009, <http://www.pm.gov.au/node/6324>.

sources of security at home, as befits the world's third-largest democracy.²³

Deep economic interdependence with China and a continuing focus on internal development means that Asia is unlikely to divide into geopolitical blocs. But the region's strategic future will be shaped in important ways by the success of democratic pluralism in moderating the impulses of authoritarian Sinocentricity to provide the public goods of security, stability, and prosperity that Asian peoples crave.

Indeed, Asia's political transformation—the region-wide embrace of democracy—may be as important as its economic transformation in determining its strategic future. More people live under democratic rule in Asia today than in any other region. Vibrant relations between the West and Asia's big democracies should help sustain a pluralistic regional order in which norms of good governance and rule of law can flourish in ways that, over time, shape China's own internal debate about political liberalization. Cooperation among Asian democracies even as they closely engage China could also lay an enduring foundation for peace should a free China one day emerge to become the natural leader of an Asian community of democracies, creating new possibilities for European-style regional integration and a global condominium of progressive, liberal states dedicated to the pursuits of peace.

²³ Rizal Sukma, "Indonesia Needs a Post-ASEAN Foreign Policy," *Jakarta Post*, Jun. 30, 2009.

Vibrant relations between the West and Asia's big democracies should help sustain a pluralistic regional order in which norms of good governance and rule of law can flourish in ways that, over time, shape China's own internal debate about political liberalization.

5 SCENARIOS FOR EAST ASIA'S FUTURE

REGIONAL ORDER

There are four broad pathways for Asian security order: (1) a continuation of the present, Lockean order; (2) a Hobbesian balance-of-power order; (3) a Kantian security community like the EU; and (4) a Sinocentric regional order oriented around a new "Middle Kingdom."

In light of these key trends, four broad pathways for East Asian security order are possible over the coming decades, with determinative effects on Asia's relations with the Western community of democracies. They are (1) a continuation of the present, Lockean order that mixes rules-based cooperation and quiet competition within a regional framework structured around existing alignments sustained by American leadership; (2) a Hobbesian balance-of-power order of unconstrained great power competition fueled by dynamic shifts in relative power and a reduced U.S. role that induces aggressive self-help behavior among regional states; (3) a Kantian security community in which an East Asian community develops along the lines of Europe's democratic peace, with China's political liberalization a precondition for such a regional evolution; or (4) a Sinocentric regional order that sustains a different kind of East Asian community on the basis of China's extension of a sphere of influence across the region, in keeping with the pre-modern Asian order in which a hierarchy of deference to a Chinese "Middle Kingdom" structured East Asian international relations.²⁴

A Lockean order

In the first scenario, continued American maritime preponderance and the U.S. alliance system sustain a security order in which China's "Prussianization,"²⁵ North Korea's nuclear mischief, and other potential security dilemmas in East Asia are mitigated by the preponderance of power enjoyed by the United States and its allies, deterring aggressive revisionism on the part of Beijing or Pyongyang and continuing to supply the public

²⁴ David Kang, *China Rising: Peace, Power, and Order in East Asia* (New York, NY: Columbia University Press, 2007).

²⁵ Holger Herwig and William Sater, *The Grand Illusion: The Prussianization of the Chilean Army* (Omaha, NE: University of Nebraska Press, 1999).

goods that underlie East Asian prosperity. In such an order, Asian regionalism could continue to sink roots, but on the basis of a transregional outlook in which the United States remains a "resident power"²⁶ and economic integration continues to be oriented around a Pacific rather than an exclusively Asian axis. Great powers like Japan and India, secondary powers like South Korea, and the states of Southeast Asia could continue to engage economically and diplomatically with China, confident that their security ties with the United States constituted a hedge against falling under Beijing's sway.

In turn, China's development would be shaped by the combination of engagement with the United States and its friends in Asia and Europe, and by the deterrent effect of America's forward military presence and alliance commitments. These raise the costs of Chinese adventurism, allowing Beijing to focus its resources on internal development and peaceful external engagement rather than on threatening or using its growing national power to revise Asia's order against the wishes of lesser states.

A Hobbesian order

In the second scenario, a U.S. retreat into isolationism (perhaps following withdrawal leading to a self-inflicted defeat in Afghanistan) or accelerated material decline (induced by protectionism or failure to reverse America's alarming levels of national debt) would lead to the weakening of Washington's alliance commitments in East Asia and its willingness to remain the region's security guarantor. Such a regional order would be "ripe for rivalry," as forecast by realist scholars after the Cold War, when an American withdrawal from the region and raw balancing behavior in the midst of dynamic power shifts

²⁶ Robert Gates, "Remarks to the Shangri-La Dialogue," Singapore, May 31, 2008, <http://www.defenselink.mil/speeches/speech.aspx?speechid=1253>.

seemed likely to make “Asia’s future look like Europe’s past.”²⁷

Such a balance-of-power order would feature self-help behavior by Asian states of the kind that has been mitigated to date by American defense commitments. Japan, South Korea, and Taiwan might develop and deploy nuclear weapons as the only means of securing their autonomy against the Chinese military giant in their midst (and additionally, in South Korea’s case, against a Japanese neighbor of whom Seoul historically has been equally wary). Chinese leaders might find themselves free to pursue their declared revisionist aims in the South China Sea,²⁸ no longer constrained by America’s Seventh Fleet and robust alliance network. Lesser Asian states whose territorial claims conflict with China’s would find they had less ability to leverage a retreating America’s support in their favor.

A Kantian order

In the third scenario, Asia would evolve in Europe’s direction—not the older Europe of great power balancing and war, but of today’s European Union, in which de-militarized societies between which war is inconceivable enjoy the fruits of democratic peace within a framework of shared economic governance and institutionalized political coordination. Such a pathway for regional order presumes that Asian regionalism develops in a pluralistic way that preserves the autonomy of lesser Asian states, rather than deriving from a non-consensual extension of China’s sphere of influence. It also presumes a dovetailing of Asian regime types in a democratic direction. After all, it was only the

²⁷ Aaron Friedberg, “Ripe for Rivalry: Prospects for Peace in a Multipolar Asia,” *International Security* 18, No. 3 (Winter 1993/4), pp. 5-33.

²⁸ See for instance Edward Wong, “Vietnam Enlists Allies to Stave Off China’s Reach,” *The New York Times*, Feb. 4, 2009.

resumption of democratic control over previously militaristic European regimes following their defeat in war that made possible the institutional deepening that has defined the post-World War II European project.

Another necessary, and often unstated, condition for the development of Europe’s Kantian order of perpetual peace has been the American security umbrella. It has created a security cocoon within which European governments could dedicate their national resources to domestic welfare rather than military defense and maneuvering against potential adversaries. Ironically, then, the development of a pluralistic and peace-loving East Asian community along the lines of the European Union may require the continued role of the United States as the region’s security guarantor, a role that would naturally be more amenable to Washington’s leading regional competitor—China—should that country pursue the political liberalization that would make an Asian democratic peace both possible and self-reinforcing.

A Sinocentric order

In the fourth scenario, an East Asia community of economic interdependence and pan-regional cooperation would develop not along lines of democratic pluralism, but as an extension of an increasingly dominant China. Rather than the horizontal sovereignty between states that developed in post-Westphalian Europe through the institution of the balance of power, such a regional order would feature hierarchical relations of suzerainty and submission of the kind that characterized pre-modern East Asia when China’s “Middle Kingdom” was strong and cohesive, and lesser neighboring states paid ritualized forms of tribute to it. A Sinocentric East Asia could emerge out of this historical past. It could also emerge through what neorealist international relations scholars understand to be the imperative of great powers to

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The prospect of zero-sum balancing and self-help behavior among Asian states subject to predation by larger neighbors recalls Europe's war-prone past, a history that if replicated would upend the Asian economic miracle.

enjoy regional hegemony.²⁹ The Monroe Doctrine and its Roosevelt Corollary epitomized this process in the 19th and early 20th centuries with respect to the United States and Latin America.

A Chinese sphere of influence encompassing East and Southeast Asia presumes that states like Japan and South Korea would bandwagon with, rather than balance against, Chinese power. This could follow from either a lack of external alliance options or out of a reemergent Asian identity; in a scenario in which they were economically and geopolitically “Finlandized,” they might have no choice.³⁰ An Asian system in which China sat at the summit of a hierarchical regional order presumes that Asian institution-building develops along closed lines of Asian exclusivity, rather than being characterized by the open, trans-Pacific regionalism that has been the dominant impulse behind Asian community-building since the early 1990s.

Preferred pathways to regional order

Where do the interests of the transatlantic community lie in light of each of these possible

²⁹ John Mearsheimer, *The Tragedy of Great Power Politics* (New York, NY: W.W. Norton, 2001).

³⁰ Gary Schmitt, ed., *The Rise of China: Essays on the Future Competition* (New York, NY: Encounter Books, 2009).

pathways for East Asian regional order? It seems clear that Pathways 1 and 3—the current Lockean order sustained by American preponderance and provision of the public goods that underlie East Asia’s peace and prosperity, and the development of a Kantian security community grounded in the democratic peace—are most favorable to the security and prosperity of the West, not to mention the vast majority of Asian peoples. Pathway 2, that of zero-sum balancing and self-help behavior among Asian states subject to predation by larger neighbors, recalls Europe’s war-prone past, a history that if replicated would upend the Asian economic miracle. Pathway 4, that of a Sinocentric regional sphere from which Western powers are excluded and lesser states lose their ability to maneuver freely as their autonomy erodes in the face of overweening Chinese influence, is clearly not the kind of regional order to which the West’s Asian allies, determined to retain the integrity and independence of their homelands, aspire. That the citizens of many Asian nations view China as a potential security threat reinforces the claim that they do not want their country to be subject to its tutelage in domestic politics or external affairs.

6 A TRANSATLANTIC AGENDA FOR SHAPING THE ASIA-PACIFIC CENTURY

“Asians are like spectators in a movie theater. They are all looking at the screen, which is America, rather than at each other.”³¹ So says one of Japan’s smartest strategic thinkers, and he is right. Despite the hype surrounding the rise of China, it remains the United States that provides the public goods for order, security, and prosperity in East Asia; China in many respects free-rides on these public goods to sustain its focus on internal development. And it is the quality of relations with the United States that helps determine the nature of Asian states’ relations with each other. For instance, Japan-China relations would be radically different in the absence of the U.S.-Japan alliance; New Delhi’s relationship with Beijing changed significantly in the wake of the U.S.-India strategic rapprochement. Most Asian nations prefer American preeminence to the alternatives—and want to know that U.S. President Barack Obama has a strategic vision for sustaining American leadership in a region that craves it. Here is what they want to see:

Continuing commitment to American alliance leadership

The American alliance system, and the security guarantees and forward military deployments that underpin it, remain an important stabilizing force in a region experiencing the kind of dynamic shifts in relative power that so often lead to arms racing, regional polarization, and conflict. In this context, U.S. leadership provides a stabilizing reassurance to Asian states that might otherwise need to pursue aggressive policies to provide for their own security. American alliance commitments to Japan, South Korea, and other nations promote what political scientists call “underbalancing”—regional states enjoying U.S. protection are able to invest more of their national resources in the pursuits of peace

rather than preparations for war. This in turn helps reassure their neighbors.

Asians are particularly watching to see how President Obama handles the conflict with Japan, Washington’s most important regional ally, over troop basing rights. Many Asian states fear that a Japan unshackled from its close alliance with the United States would be a destabilizing force in the region—which is why so many Asian countries applauded the deft alliance management shown by former U.S. Presidents Bill Clinton and George W. Bush. The inexperience of the new Japanese government makes this a real challenge for President Obama. He may have to speak past Japan’s uncertain leadership and directly to the Japanese public, which overwhelmingly supports a healthy U.S. alliance, to rally public support for a stronger and more capable U.S.-Japan security partnership for the 21st century.

From a transatlantic perspective, the U.S. security role in East Asia made possible by a strong U.S.-Japan alliance is a public good that benefits Europe. Washington’s security guarantees play a critical role in stabilizing a region that will be the most important new source of prosperity through trade and investment for the economies of Europe. And China is more likely to be a better global citizen, and pursue constructive relations with Europe, if it does not have a free hand to dominate its neighbors but instead remains one of several important powers in a regional equilibrium sustained by the United States and its security partners.

Commitment to free trade

The liberal international economic order has produced a greater degree of wealth for more people than any other economic system in history. Western leadership of this order, based in part on U.S. and allied control of the global commons, has allowed Asian states—including China—to

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³¹ Interview with Nobukatsu Kanehara, Director, Foreign Policy Division, Ministry of Foreign Affairs, Tokyo, April 2007.

President Obama could send the right message to America's Asian partners by pledging to push the U.S. Congress to ratify the stalled Korea-U.S. Free Trade Agreement immediately.

develop deep linkages with each other and the world. Both export-dependent Asian economies like China and South Korea and consumer-driven economies like India favor greater international trade liberalization as a way to sustain the flows of trade and investment that drive their growing prosperity. This is broadly true even though rising Asian powers' different stages of development vis-à-vis the West create conflicts over trade liberalization in specific sectors like agriculture in global trade negotiations.

President Clinton understood Asia's fundamental reliance on open international trade and financial flows. He worked accordingly to bring China into the World Trade Organization and strengthen the Asia-Pacific Economic Cooperation Forum (APEC). President Bush also understood this reality, signing a free trade agreement with South Korea and advocating a Free Trade Area of the Asia-Pacific (FTAAP). Leaders of the European Union lately have pursued a similarly strategic approach to trade liberalization with Asia: witness the new EU-South Korea Free Trade Agreement and EU negotiations for a free trade agreement with India. President Obama could send the right message to America's Asian partners by pledging to push the U.S. Congress to ratify the stalled Korea-U.S. Free Trade Agreement immediately.

Determination to promote open regionalism

Most East and Southeast Asian states favor an "open" form of regionalism that enmeshes external powers, making them shared partners with an equal stake in regional stability and prosperity. Smaller Asian states want to avoid the construction of "closed," Sinocentric regional institutions that would cause them to unduly fall under Beijing's sway, in part by preventing them from balancing their economic dependence on China with similarly deep trade and investment relations with other major economies. Washington has a compelling

interest in participating in Asian regional institutions, "internationalizing" them to prevent the construction of any kind of Greater Chinese Co-Prosperty Sphere. Such a development would risk diminishing Western access to important markets and make it harder for the United States to remain a guarantor of regional stability.

President Obama could reinforce the U.S. interest in open regionalism by committing the United States to enactment of the Trans-Pacific Partnership (a framework for trade liberalization within APEC) on the road toward an APEC-wide free trade area. The evolving transatlantic marketplace between Europe and North America would be mirrored in the Pacific. President Obama could also attend future meetings of the East Asia Summit, which in the past have excluded the United States, now that his administration has cleared the main procedural hurdle to doing so by pledging to ratify the Association of Southeast Asian Nations' Treaty of Amity and Cooperation.

Non-Sinocentric Asia policy true to the values of the West

The Bush administration pursued what the current Assistant Secretary of State for East Asia, Kurt Campbell, calls an "allies-first" Asia strategy—one grounded in the logic that the best way to manage China's rise is to enjoy strong relations with China's neighbors. To this end, the previous administration forged a strategic breakthrough with India, accelerated the Clinton administration's efforts to transform the U.S.-Japan alliance, and strengthened relations with key Southeast Asian powers like Indonesia, Vietnam, and Singapore. Asian states today are concerned that the Obama administration, focused less on the Asian balance of power than on securing Beijing's support on global issues like climate change, may drift in the direction of a tacit "G2" condominium with China. Such an approach would relegate Washington's core partners in wider Asia to secondary status.

To offset these regional worries, President Obama could reiterate the Campbell Doctrine that the United States makes a qualitative distinction between its natural allies in Asia and countries like China—and that the best way to enjoy constructive relations with the latter is to enjoy the closest possible relations with the former. Rather than downplaying American respect for individual freedom and political liberty in Asia, this approach also calls on the President—and, equally, leaders in Europe at their summits with China, ASEAN, and other Asian powers—to be true to their convictions that democracies make the best allies, and that the expansion of human rights and rule of law in Asia is a source of security and stability for all countries. This is true not only for Western and Asian democracies but for China too.

A policy framework to manage cooperation, and differences, with China

While European and Asian countries fear a U.S.-Chinese condominium in Asia, they also fear the destabilizing effects of a mismanaged U.S.-China relationship. President Bush earned kudos in Asia for managing a stable and productive period in U.S.-China relations—and did so even as he strengthened Washington's relationships with every other major Asian power, demonstrating that this need not be a zero-sum game. In fact, constructive U.S.-China relations reinforce productive U.S. relations with other Asian partners.

Transatlantic leaders must expand the framework for cooperation with China while hedging against assertive Chinese behavior that undercuts Western interests. One approach would be for Washington and Brussels to spell out deliverables that they expect to flow from such a framework. These include specific Chinese initiatives that produce tangible results on climate change, North Korea, international aid transparency, political and economic liberalization in Burma, the under-

valuation of China's currency as a matter of state policy, and other hard subjects. The idea should be to test China's willingness to be a good global citizen that contributes to the public goods undergirding the international system. It would mean to indicate to Beijing that the days of free-riding on Western leadership, and banking on Western disunity when it comes to relations with Beijing, are over.

Rededication to sustaining Western preeminence

Asian leaders sometimes seem more acutely aware than American and European counterparts what the requirements are for the transatlantic allies to sustain Western leadership of the international system. Winning the wars they choose to fight is one of them. This became clear when—during the Iraq War—leaders like Lee Kuan Yew were outspoken about the need for the United States to prevail. He noted the wider systemic implications of an American military defeat in the Middle East. Today, a similar, if quiet, debate over the future of Western strategy in Afghanistan is taking place in Asia. In this context, such a conflict is not a localized concern but has broader strategic ramifications for the position of the West in the emerging world order.

Asian nations like Japan and South Korea, whose security depends on the United States, cannot be indifferent to the prospect that their security provider would choose to lose the war in Afghanistan. States like India cannot but be discouraged if their newfound American partner demonstrates that it lacks the stomach for a fight against a weak and defeatable adversary like the Taliban. States like China want to accelerate the diffusion of power in the international system away from the United States and Europe. They are watching as NATO forces bleed in Afghanistan in the absence of the strategy and resources

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The overarching strategic challenge is to defend the liberal international order; China is the leading potential challenger to that order and Europe should be America's natural partner in upholding it.

necessary to produce victory. Aside from the urgent priority of paying down debilitating national debts that threaten, if unchecked, to constrain Western power over the long term, one of the best things American and European leaders could do to impact the West's place in the future global balance of power would be to recommit to winning the war in the Hindu Kush.

A concerted transatlantic approach to the region

When thinking of the linkages between its alliances in Europe and its interests in Asia, the United States still tends to appraise Europe as a potential partner based on its role in the region—by which measure Europe will often fall short.³² But managing China's rise is a global imperative, not simply a regional one. This includes dealing with China in global institutions and frameworks like the Doha round of international trade talks, climate change negotiations, the Group of Twenty, the United Nations Security Council, and groupings like the P5+1 on Iran. It also includes dealing with China in regional contexts beyond Asia, including with regard to concerns over human rights, trade and investment policies, and foreign assistance in Africa and Latin America, where Europe continues to wield clout.

Thus, at both the global level and in regions outside Asia, there is clearly scope for the United States and its European partners to collaborate more systematically *vis-à-vis* China. The overarching strategic challenge is to defend the liberal international order; China is the leading potential challenger to that order and Europe should be America's natural partner in upholding it. Building coalitions of like-minded, capable

³² I am grateful to Andrew Small for his decisive contributions to this section.

partners that span the Atlantic and Pacific realms will be necessary to manage the challenge. This calls for a global strategy of coalition-building among liberal powers that moves beyond the bifurcated regional approaches of the Cold War and its aftermath.

Dealing with a China emerging as a global military power makes it all the more imperative that the United States better integrate its alliance structures in Asia and Europe. U.S. willingness to integrate Europe into its strategic approach to Asian powers—if not Asian regional policy—will be crucial to its capacity to maximize its leverage and ensure that the West is not fractured in dealing with an increasingly assertive China. This approach also has critical implications for the reform of the institutions of global governance. Integrating Asian powers is important, but such efforts must coexist with a liberal coalition-building strategy that ensures that the West punches its full weight, and forges closer partnership with like-minded Asian powers, in these forums.

For its part, Europe needs a less Sinocentric Asia policy. Its policies should be better attuned to the advantages gained from coordinating more effectively with other major Asian powers on issues related to China, and the leverage that comes from the capacity to influence developments along China's periphery. This includes closer relations not only with great powers like Japan and India and emerging powers like South Korea and Indonesia, but also with societies like Taiwan. Europe has a compelling moral stake in protecting the rights of Taiwanese citizens to choose their own future free from mainland coercion. Europe must also resist the self-defeating competition over China policy among the big three powers of Great Britain, Germany, and France. On issues of Tibet, human rights, and trade, this competition has allowed the Chinese to play European states against

each other to the detriment of each of them and the European Union as a whole.³³

A key strategic question is whether Europe wants to engage in Asia beyond trade and become America's full-spectrum partner in the region. The debate in European capitals over lifting the EU arms embargo on China, with proponents pursuing narrow commercial interests to the detriment of strategic stability in East Asia, suggests clear limits to Europe's ability to be a "responsible stakeholder" in the region. It may be that Europe will most robustly engage with China only when Beijing challenges its (limited) global ambitions on issues like climate change. But both the United States and European countries with historical traditions of power projection in East Asia should aim higher than that. One possibility would be a new transatlantic compact that reorients the Atlantic allies away from narrow security concerns in Europe and toward broader global challenges to the West's position stemming from China's authoritarian rise.

NATO has been operating behind the curve on Asia, in the opinion of key Atlanticists. This is partly a function of an ongoing debate pitting proponents of a narrow NATO mandate that privileges transatlantic exclusivism against advocates of a more expansive, global role for the alliance. In this latter vision, NATO would serve as the hub of a series of global security partnerships, including with rising, democratic Asian powers—a position endorsed by Washington's current ambassador to NATO, among others.³⁴ The deployment of NATO forces in Afghanistan, and

their limited success in stemming the Taliban insurgency, reflects the broader tension between NATO's core and "out-of-area" missions—which is why NATO's success or failure in Afghanistan will have wider implications for NATO's future role in East Asia.

At the November 2006 NATO Summit in Riga, the United States secured the alliance's agreement to enhance military interoperability and joint planning with Japan, Australia, South Korea, and New Zealand.³⁵ This was part of a larger U.S. design to encourage Asian partners to assume global security responsibilities as "democratic security providers"—and to formalize multilateral security cooperation among partners combining shared values with significant military capabilities.³⁶

In the run-up to Riga, U.S. officials had pushed their European counterparts to integrate the four Asian democracies more fully into alliance planning, training, and operations in an effort to tie NATO into a closer security partnership with militarily capable and like-minded Asian states. This campaign faced resistance from France and Germany in particular, who sought to preserve NATO's more exclusive Atlantic identity. NATO's new 2010 Strategic Concept should propound an expansionary vision for the alliance's engagement with Asia's leading democracies. After all, it is Asia's ascent rather than the European security dilemmas of yesteryear that present the critical challenges to the global security order that NATO has been instrumental in upholding for 60 years.

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³³ John Fox and Francois Godemont, *A Power Audit of EU-China Relations* (London, U.K.: European Council on Foreign Relations, 2009), http://ecfr.3cdn.net/532cd91d0b5c9699ad_ozm6b9bz4.pdf.

³⁴ Ivo Daalder and James Goldgeier, "Global NATO," *Foreign Affairs* 85, No. 5 (Sept./Oct. 2006), pp. 105-113.

³⁵ Judy Dempsey, "Japanese Signal New Era in Ties with NATO," *International Herald Tribune*, Jan. 12, 2007.

³⁶ Interview with Kurt Volker, Principal Deputy Assistant Secretary of State for European Affairs, Washington, Feb. 2007.

7 DOES EUROPEAN INTEGRATION OFFER A MODEL FOR ASIA?

There may be clear limits to Asian integration so long as China seeks to construct an external order that reflects not horizontal relations of sovereign equality grounded in norms of democratic legitimacy, but vertical, hierarchic external relations of power and prestige grounded in China's own domestic regime type.

Given the deep institutionalization of transatlantic relations through NATO and of intra-European affairs within the European Union, the Atlantic allies also have a compelling interest in strengthening pan-regional Asian institutions. This is one part of a strategic approach to Asian regionalism that works with partners—bilaterally and within minilateral and multilateral forums—in order to set high standards for transparency, inclusiveness, peaceful cooperation, and the provision of regional public goods. U.S. leadership and China's future trajectory are the key variables in realizing this vision. As John Ikenberry argues, "The challenge [for] the United States is not to block China's entry into the regional order but to help shape its terms."³⁷ At the same time, Europe's model of regional integration is an important lodestar for Asia's own ambitions to pursue regional community-building.

Liberal institutionalists correctly credit regional institutions with shaping China's behavior, socializing Beijing about regional norms and helping China redefine its own interests through institutional incentives for cooperation. The history of postwar European integration is indeed an aspirational model for Asia. But institutionalists who draw conclusions based on the European experience for Asia understate the role of regime type in institutional binding. Ikenberry, for instance, maintains that China can follow in the footsteps of the United States *vis-à-vis* Western Europe from 1949 and of Germany *vis-à-vis* the rest of Europe from 1990. He cites both the U.S. decision to bind itself to Western Europe through regional institutions like NATO after World War II

and newly unified Germany's move in 1990 to bind itself to European institutions as ways in which dominant states employed institutional strategies to signal reassurance, restraint, and predictability with weaker partners, thereby overcoming traditional self-help pressures for lesser nations to balance against the hegemon in their midst.³⁸

But such arguments overlook the key variable of regime type as a necessary condition for institutional binding to work. In both historical cases, Western nations that shared a common commitment to representative government and rule of law constructed security communities grounded in common understandings of a democratic peace. Indeed, as Ikenberry has argued elsewhere, such security communities are essentially externalized versions of the "constitutional order" that prevails within liberal democracies.³⁹ In this analysis, China's authoritarian regime type presents considerable challenges to its ability to signal restraint and reassurance and pursue strategies for shared security with wary democratic neighbors. There may be clear limits to Asian integration so long as China seeks to construct an external order that reflects not horizontal relations of sovereign equality grounded in norms of democratic legitimacy, but vertical, hierarchic external relations of power and prestige grounded in China's own domestic regime type.

With regard to the U.S. experience in postwar Europe and a unified Germany's European integration following the Cold War, realists would also dispute the liberal prediction that China could follow a path of peaceful Asian integration. In judging the Cold War relationship among the

³⁷ G. John Ikenberry, "Asian Regionalism and the Future of U.S. Strategic Engagement with China," in Abraham Denmark and Nirav Patel, eds., *China's Arrival: A Strategic Framework for a Global Relationship* (Washington, DC: Center for a New American Security, 2009), http://www.cnas.org/files/documents/publications/CNAS%20China%27s%20Arrival_Final%20Report.pdf.

³⁸ *Ibid.*

³⁹ G. John Ikenberry, *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order After Major Wars* (Princeton, NJ: Princeton University Press, 2001). This argument also follows Philip Bobbitt, *The Shield of Achilles: War, Peace, and the Course of History* (London, U.K.: Penguin, 2003).

Atlantic allies, realists would invoke hegemonic power relations between a U.S. superpower and its European dependencies in the face of a common and geographically proximate adversary in the form of the Soviet Union. With regard to German unification, they would cite the continuing U.S. security guarantee to its European allies, and an ongoing U.S. military presence in Germany that prevents both that country and its neighbors from pursuing destabilizing security policies of self-help, as sources of reassurance that assuage concerns about German revanchism on the continent.

Based on the realist understanding, China cannot play the role of the United States in Europe after World War II by offering security guarantees to its neighbors as a benign hegemon and leader of a democratic security community. Any Chinese hegemony in Asia would be contested rather than welcomed by its neighbors. It would not be perceived to be benign (for reasons of history and because American leadership is not perceived by other Asian states as a threat they wish China to countervail). And China's non-democratic regime type gives rise to a dangerous lack of transparency about both its intentions and capabilities, making China as much a source of threat as of reassurance to other Asian states.

Nor can China pursue Germany's institutional pathway in the European Union—because the continuing U.S. security guarantee that convinced skeptical neighbors like Britain and France to consent to German unification, and the American commitment to German security that renders unnecessary Germany's development of offensive

military capabilities, are not ones that China is in a position to make. To do so it would have to both limit the development of its own national capabilities and commit to the security of neighbors that identify China as their primary threat. Ironically, it is the U.S. commitment to the security of its Asian allies, particularly Japan, that has enabled China to pursue its continuing military buildup without spurring the full-scale arms racing and counterbalancing realist theories predict would otherwise occur.

For these reasons, the nascent development of a sub-regional security community among Asia-Pacific democracies led by the United States and featuring both bilateral and multilateral components is important to shaping a regional order that sets standards for China to meet in its quest for regional leadership. Asia is not ripe for the kind of deep regionalism prevalent in Europe. But any efforts toward developing an East Asian Community will be strengthened by institutionalized habits of cooperation among Asian powers. Because other Asian states fear falling into China's shadow, their engagement with each other and the United States through democratic multilateralism gives them the confidence to engage China. It also shapes a strategic context that encourages China's own peaceful rise—by deterring Chinese adventurism abroad and setting high standards for regional cooperation and transparency in ways that influence China's internal debate over its foreign policy objectives. Democratic multilateralism in the Asia-Pacific thereby contributes to the development of a broader pan-Asian regionalism.

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8 FREEDOM IN ASIA

The material success of authoritarian China has led to premature anxiety that economic modernization there will not produce a middle class that demands democratic rights, as occurred in the West. We have heard similar sentiments before, when Asian strongmen, “Asian values,” and bureaucratic capitalism were perceived as providing development models superior to free-market democracy.

In Western Europe after World War II, the United States and its liberal allies constructed a multilateral security regime based on a foundation of shared democratic values that further consolidated when countries like Spain, Portugal, and Turkey embraced representative politics. By contrast, outside of Japan, such a foundation did not exist in Asia during the Cold War. The situation could not be more different today, as the West’s principal partners—Japan, South Korea, Australia, and India—are vibrant democracies. Prospects for a strong future partnership between the West and Indonesia are bright as a result of that country’s democratic consolidation and its leaders’ belief, shared by transatlantic proponents of the democratic peace, that democracies are natural allies.⁴⁰ Whereas the United States’ Cold War Asia policy was premised on partnership with regional strongmen at the same time as structural factors pushed America and democratic India apart, today democracy—and converging risk assessments about the dark side of China’s rise—increasingly unite the United States and Europe with India, South Korea, Indonesia, the Philippines, Taiwan, Japan, Australia, and other states in ways that naturally should promote better coordination amongst them.

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tigers, the bursting of Japan’s economic bubble, and democratic India’s successful economic takeoff have demonstrated how wrong such assessments were. Freedom has firm roots in Asia: Sun Yat-sen declared the first Chinese republic in 1912, and since 1947 the “idea of India” has been democracy. When Asians took to the streets to demand democratic rights in South Korea (1980), the Philippines (1986), Taiwan (1986), Burma (1988), China (1989), Thailand (1992), Indonesia (1998), Hong Kong (2003-2009), and Pakistan (2007), they were not standing up for Western cultural values but for the universal aspirations of mankind. And as a senior Japanese diplomat puts it, China will ultimately have no choice but to embrace democracy because every other political system in human history has been tried—and has failed.⁴¹

Democracy is the West’s greatest source of soft power, in Asia and the world. Modernity today is defined by democratic capitalism and a culture of opportunity. Most people in most places want to replicate some form of it, if not its Western cultural byproducts, in their own countries. Even in Southeast Asia, once the bastion of “Asian values,” a lot has changed. During the debate over the new Association of Southeast Asian Nations (ASEAN) Charter, Southeast Asian officials considered a draft written by regional senior statesmen and thought leaders. It declared that regional peace and stability rest on “the active strengthening of democratic values, good governance, rejection of unconstitutional and undemocratic changes of government, the rule of law, including international humanitarian law, and respect for human rights and fundamental freedoms.”⁴² While the final charter was watered

⁴⁰ Hillary Clinton, “Developing a Comprehensive Partnership with Indonesia,” Jakarta, Feb. 18, 2009, <http://www.state.gov/secretary/rm/2009a/02/119424.htm>; Susilo Bambang Yudhoyono, “Indonesia and America in a Changing World,” in Yudhoyono, *Transforming Indonesia: Selected International Speeches* (Jakarta, Indonesia: Office of the President, 2005).

⁴¹ Interview with Nobukatsu Kanehara, Director, Foreign Policy Division, Ministry of Foreign Affairs, Tokyo, April 2007.

⁴² Cited in Carlos Conde, “Southeast Asians Agree to Draft New Charter,” *The New York Times*, Jan. 13, 2007.

down to reflect continuing concerns about non-interference by the region's non-democratic states, they appeared to be swimming against the tide. It likely will continue to flow in the direction of a more robust embrace of liberal norms by ASEAN's leading members.

In China, an active public debate over democracy was well underway in the 1980s. In 1989, popular protests erupted in every major city in China and, in the view of many experts, would have brought down the regime had the movement not been snuffed out by the Tiananmen massacre and subsequently diverted by the state-led mobilization of xenophobic nationalism. But the success of democracy in Taiwan, overwhelming popular support in Hong Kong for greater democratic freedoms, the Charter 08 democracy movement in the People's Republic, and the creeping debate within China's ruling party about how to institutionalize the party's dominance

through the trappings of managed democracy all attest to the power of liberalism's appeal.

The values of democratic modernity to which people across Asia aspire found their earliest and most enduring expression in the West. To the extent that Asian governments and citizens continue to embrace universal values, shared ideals of human liberty will be an enduring source of security and prosperity connecting Asia and the transatlantic community. A reformist China may one day join this global club of open societies. And if it does not, a coalition of capable and like-minded partners spanning North America, Europe, and Asia should be well-positioned to manage the external manifestations of its authoritarian power until it mellows into a form more responsive to its people's aspirations, and to the requirements of international cooperation to manage the profound challenges to global governance that confront the 21st-century world.

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