



ADB Working Paper Series

Emerging Geopolitical Trends and Security in the Association of Southeast Asian Nations, the People's Republic of China, and India (ACI) Region

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No. 412
March 2013

Asian Development Bank Institute

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This paper was prepared as a background paper for the ADBI/ADB study on the Role of Key Emerging Economies—ASEAN, the People's Republic of China (PRC), and India—for a Balanced, Sustainable, and Resilient Asia.

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Suggested citation:

Mohan, C.R. 2013. Emerging Geopolitical Trends and Security in the Association of Southeast Asian Nations, the People's Republic of China, and India (ACI) Region. ADBI Working Paper 412. Tokyo: Asian Development Bank Institute. Available: <http://www.adbi.org/working-paper/2013/03/15/5543.geopolitical.trends.security.asean.prc.india/>

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Abstract

The rapid economic growth in the region consisting of the Association of Southeast Asian Nations (ASEAN), the People's Republic of China (PRC), and India has begun to change the strategic landscape of the world. The accretion of military power that inevitably followed the region's economic growth is altering the balance of power within the region and between Asia and the West. This background paper outlines the geopolitical trends in a region that has become the center stage of international politics in the 21st century. It begins with a review of the idea of Asia in the 20th century and identifies the inherited political legacy of Asia in the middle of the 20th century. The paper then provides an assessment of the region's unfolding geopolitical transformation in recent years and asks if the regional structures in Asia can cope with it. The paper also explores the problems of integrating the two rising Asian powers, the PRC and India, into the structures of global governance. It concludes with a brief discussion on the strategic policy imperatives facing the ACI region.

JEL Classification: F59

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1. INTRODUCTION

The ACI region—the ten member states of the Association of Southeast Asian Nations (ASEAN), the People’s Republic of China (PRC), and India—is a term not commonly used in the literature of international relations. But its use in this volume effectively captures the heart of what is now widely termed as “East Asia”: a region that has emerged as a powerhouse of global economic and geopolitical transformation amidst the perceived decline of the West and the rise of Asia. The post Second World War tradition among the strategic and diplomatic communities around the world has been to differentiate between South Asia, Southeast Asia, and Northeast Asia as specific sub-regions of the broader continent of Asia. After the breakup of the Soviet Union, the term Central Asia has often been used to describe the five “stans”—Turkmenistan, Uzbekistan, Tajikistan, Kyrgyzstan, and Kazakhstan. The Caucasus region, including Armenia, Azerbaijan, and Georgia, continues to be seen as an extension of Europe rather than of Asia. The term South-West Asia has often been used to describe the area that makes up the territories of Afghanistan, Pakistan, Iran, and the Arabian Peninsula. The term West Asia is a broader term that encompasses the region stretching from Iran to the Mediterranean. Many in the region prefer to use the term Middle East rather than West Asia. The term Greater Middle East has been used to include North Africa, the Caucasus, Central Asia, and occasionally Afghanistan and Pakistan. Put simply, there is no international consensus on where the various sub-regions of Asia begin and end. Even more important, there is no general agreement on where exactly the boundaries of Asia are, as the continent comprises a large portion of the Eurasian land mass and connects to Africa at one end, and has close maritime connections with Australia and the South Pacific. Following the rise of the PRC and India and the consequent expansion of their respective maritime interests in their immediate coastal waters, the notion of an “Indo-Pacific Region” encompassing the vast swathe of the littoral of East Africa and Asia has begun to gain some coinage.

Regions, like nations, are “imagined communities” and not strictly defined by geography.¹ Economic, political, and strategic considerations have always injected a measure of elasticity into the conceptions of regions. This was true in the case of Europe’s evolution over the last few centuries. The varying definitions of Asia are part of the same trend. Policymakers in different parts of the world are guided by practical and immediate considerations in imagining the “boundaries” of a region. The idea of Asia itself has evolved over the centuries and even millennia. The early explorers and adventurers of Greece had a conception of Asia as part of a three-continental system of the old world—Europe, Africa, and Asia. Although Europe and Asia were part of a geographic continuum, they were seen as distinct continents. The Romans and colonial European powers developed their own concepts of Asia. From the late 19th century the national movements in Asia constructed their own concepts of Asia. Even in the contemporary period, the notion of Asia has continued to evolve and many different voices have spoken in the name of an Asian collective at different times.² The notion of Asia remains a contested one, and this dispute reflects itself in the struggle to create institutional mechanisms for the promotion of economic integration, stability, and security in the great continent. The rise of the PRC and India will at once change the interpretations of Asia’s geographic scope. For example, the decision of the ASEAN to invite India to become a member of the East Asia Summit process surprised most observers of Asia.

¹ Benedict 1993. See also Katzenstein 2005.

² For a brief but incisive review see Milner and Johnson 2004.

This background paper is divided into seven sections. Following the introduction, the paper looks at the contemporary evolution of the idea of Asia in the 20th century. Sections 3 and 4 review Asia's strategic legacy in the middle of the 20th century and the transformation of the region's geopolitics since then. Section 5 assesses the state of security regionalism in Asia and the challenges it faces. Section 6 explores the problems of integrating the two rising Asian powers, the PRC and India, into the structures of global governance. Section 7 brings the discussion to a close by focusing on a few policy imperatives for the ACI region.

2. THE IDEA OF ASIA

The image of a common Asian identity began to gain momentum in the late 19th century as new leaders in Asia, effected by European modernization but chafing under colonial rule, began to rediscover the common bonds between the different Asian peoples. Some, like Swami Vivekananda, sought to define this identity in opposition to the West. Vivekananda, who travelled to both the United States (US) and Japan, spoke of the primacy of the spiritual in Asia that was different from the material civilization of the West. Rabindranath Tagore, the first Asian to win the Nobel Prize for literature and a great international traveler, offered a critique of Western industrial society and underlined the importance of Asian spiritual civilization.³ Tagore's own ideas of Asian unity grew from his interaction with the Japanese scholar and art historian Okakura Tenshin who underscored the importance of Asian cultural unity.⁴ Meanwhile archaeological and other studies of Indian influences in Southeast Asia at the beginning of the 20th century saw growing awareness of the historical interconnectedness of the different parts of Asia. Not everyone agreed with the new "Asianist" ideas, especially its definition of the East in opposition to the West. Many in Japan wanted to "escape Asia" rather than be defined by it. In the PRC there was strong opposition to Tagore's emphasis on spiritual civilization and calls instead for rapid material advances to catch up with the West. In India too, many reformist leaders sought to shake off the dead weight of India's past and pursue modernization along Western lines. As contemporary Asia's first rising power, Japan projected notions of an Asian co-prosperity sphere which was rejected by the rest of Asia. For many in the region, Asian unity was not an "imperial project" but a nationalist one. For Tagore, the notion of Asia was not about constructing an exclusive identity but providing an alternative universalism to that defined by the West. Clearly there were many conceptions of Asia that overlapped with each other as well as conflicted.⁵ As the Asian contradiction with colonialism sharpened, the rhetoric of Asian unity gained momentum, despite many differences on the geographic scope and ideological basis for emerging Asia.⁶

Amidst the rapid acceleration of the process of decolonization after the end of the Second World War, it was inevitable that the new ideas on Asian unity and solidarity would be reflected in the foreign policies of the newly-liberated countries in Asia. Even before India gained full independence, the prime minister of the interim government, Jawaharlal Nehru, convened a conference of Asian nations in New Delhi in March 1947. That Asia must band together in carving out a new destiny for itself was a strong impulse for Nehru. In the years before he took

³ Hay 1970.

⁴ O. Tenshin. 1904. *The Ideals of the East*. This classic work begins with a simple but dramatic statement "Asia is one". For his intellectual engagement with Tagore, see R. Bharucha. 2009. *Another Asia: Rabindranth Tagore and Okakura Tenshin*.

⁵ For a discussion see Duara 2010. See also Acharya 2011.

⁶ Korhonen 2008.

charge of India, Nehru was already advocating ideas of an “Asian Federation.” Yet the conference underlined all the potential problems that Asia would face turning its aspirations for unity into practical collaboration. The conference was divided on the kind of attitude towards Western capital in national development in the post-colonial era. The incipient Cold War divisions as well as North-South divisions were reflected in profound concern in Western capitals about the kind of approach the newly-liberated nations might adopt towards the rising specter of global communism. Some were concerned about the potential threat of “Asiatic imperialism” from India and the PRC, whose great power aspirations were no secret. Beyond that there were big questions about who should be included and who should be kept out of the conference.⁷

If the ARC brought into relief the potential divisions in Asia, a group of countries called Colombo powers—Burma, Ceylon, India, Indonesia, and Pakistan—sought to maintain the momentum towards organizing Asian unity. The 1955 Bandung Conference on Afro-Asian solidarity in Indonesia showed the expanding geographic scope of the Asian idea as well as its divisions in dealing with Communist PRC.⁸ Disappointed by the meager results of the Bandung conference and upstaged by the diplomatic savvy of the Chinese premier, Zhou Enlai, Nehru moved away from the Asianist agenda to a larger global agenda that focused on non-alignment.⁹ Meanwhile, the US sought to construct its own alliances in Asia to defeat communism—the Central Treaty Organization and the Southeast Asia Treaty Organization. While neither of these organizations survived long, it was the bilateral alliances that the US crafted with Japan, the Republic of Korea, Australia, the Philippines, and Thailand—the so-called hubs and spokes system—that became the anchor of Asian security. The US’s provision of market access to those countries that adopted the capitalist path of development began to generate the first signs of growth and prosperity even as the focus of many Asian countries on socialism and self-reliance meant that the region was condemned by many as a basket case. If “imperialist regionalism” as well as “anti-imperialist” regionalism failed to take off in Asia in the 1950s, it was the more modest approach of self-interested regional cooperation unveiled by the formation of ASEAN that would provide the basis for a comprehensive development of regional institutions in Asia. Asian regionalism which seemed so elusive became a [power] reality by the first decade of the 21st century focused around the nomenclature of “East Asia.”¹⁰ The economic miracle in East Asia during the 1980s, the end of the Cold War, and the example of European integration provided a whole new basis for imagining Asian regionalism and brought together all the major powers to manage regional security. Before we go there, though, let us take a look at the parallel geopolitical developments in Asia up till the turn of the 21st century.

3. THE GEOPOLITICAL LEGACY

As Asia faced a new dawn after the Second World War, its evolution throughout the Cold War occurred somewhat differently than that of Europe and the rest of the world. While the Cold War had a great impact on the political development in Asia, the region never submitted itself to the disciplines of a bipolar framework. Unlike in Europe, where the Soviet Union was a dominant threat, Moscow’s influence on Asia—military, economic, and political—tended to be far more

⁷ For details of the conference, see Gopal 2003.

⁸ See Appadorai 1955. For a recent analysis see Seng Tan and Acharya, eds. 2008.

⁹ Abraham 2008.

¹⁰ World Bank 1993.

limited. The European colonial powers that initially resisted the decolonization process and sought to regain their territorial possessions eventually had to retreat. Britain, which held out for much longer than other countries, abandoned its security role east of Suez in 1971 and transferred most of its security responsibilities to the US. Japanese imperialism, which shook Asia to the core and accelerated the downfall of European colonialism, was neutralized after the Second World War when Japan was consigned to a subordinate political position to the US.¹¹

While the US remained the dominant power in Asia, the inherent multipolar tendencies in the region were underlined by the strategies adopted by two nations which had the potential to emerge as great powers—the PRC and India. Communist PRC demonstrated the capacity to align, de-align, and realign rather than accept the constraining bipolar logic of the Cold War. After initial strong alignment with the Soviet Union, Beijing broke away from Moscow in the early 1960s and drew closer to Washington by the early 1970s. As concerns about unipolarity emerged in the 2000s, Beijing once again sought to establish a partnership with Moscow. India departed from its non-aligned ideology to seek US military support when it confronted the PRC across its northern borders in 1962, and built a de facto alliance with Moscow in the 1970s. After the end of the Cold War, talk of a natural alliance with the US dominated India's foreign policy discourse, even as it danced with Russia and the PRC in the name of promoting multipolarity. The Chinese and Indian strategic behavior brings into sharp relief their commitment to an "independent" foreign policy. Even when they were aligned with one or the other superpowers, both Beijing and New Delhi were loath to give up their strategic autonomy. A similar tendency has been visible among many other large Asian nations like Indonesia, which sought a measure of flexibility in their conduct of foreign policy. As they become stronger and develop capabilities to influence their environment in Asia and beyond, these countries are more likely to emphasize their own independent role than accept subordinate positions to other great powers.¹²

Throughout the Cold War, the many internal contradictions of Asia continued to express themselves with great vigor and complicated the larger strategic dynamic with the great powers. A number of fault lines visible during and after the Cold War are likely to endure over the coming decades.¹³ Many Asian nations are yet to complete their internal national consolidation and resolve territorial disputes with other countries in the region. Despite their rise, the PRC and India have significant unfinished territorial consolidation. If separatist tendencies in Xinjiang and Tibet continue to hobble Beijing, similar problems in Kashmir and the North East continue to challenge New Delhi. The PRC has a bigger challenge in realizing its political objective of integrating Taipei, China with the [PRC] mainland. While the PRC has resolved most of its land boundary problems with its neighbors, it is a long way from settling the boundary dispute with India. The PRC's maritime territorial disputes with many of its East Asian neighbors have acquired a new edge in recent years.¹⁴ There have been frequent naval confrontations between the PRC on the one hand and Japan, Viet Nam, the Philippines, and Indonesia on the other. While the PRC has always claimed large swathes of maritime space in the western Pacific, its assertive enforcement of these claims has sent shockwaves through the region. Beyond territorial disputes, historic animosities, geopolitical rivalries and competition for natural resources and political influence continue to divide Asian nations. While Asia has enjoyed a prolonged period of peace since the 1980s, there is nothing to suggest that the trend will

¹¹ For a comprehensive recent review see Lyman Miller and Wich 2011. See also Yahuda 2011.

¹² For a discussion see "Foreign Policy Debates in China, India and Russia" at: <http://risingpowers.wordpress.com/2011/03/08/foreign-policy-debates-in-russia-india-and-china>

¹³ Ganguly and Thompson, eds. 2011.

¹⁴ Gyo Koo 2010.

continue in the coming years.¹⁵ As the ascendancy of Asia continues, the changing balance of power between Asia and the West and within Asia raises questions about the future of peace and stability in Asia. To understand the uncertain Asian environment, we need to turn to the changing geopolitics of Asia.

4. THE TRANSFORMATION OF ASIAN GEOPOLITICS

The rise of the PRC and India and the broader improvement in the economic fortunes of Asia along with the slowdown of the West amidst the financial crisis [of the West] have begun to alter the geopolitical conceptions of the world. This transformation is being framed in three different ways. The first is focused on the changing balance between East and West.¹⁶ At the end of the Cold War, there was a general perception that the center of gravity of the world was shifting from the Atlantic to the Pacific. But as Asia integrates with itself amidst the rise of the PRC, the geopolitical emphasis has shifted from “Asia-Pacific” to Asia. While the concept of Asia-Pacific includes the US and other countries from the Americas, the latter has come to represent greater economic integration within East Asia. Over the last decade, the PRC has become the main trading partner for most Asian nations replacing the historic primacy of Asian linkages with the US and the West.¹⁷ While the profound economic interdependence between the PRC and the US remains a major driver of the global economy, the prospect of Asia developing on an independent path has gained some adherents. That Asia enjoyed relatively high economic growth rates whilst the West experienced a major economic contraction in recent years has given rise to speculation about Asia’s decoupling from the US and the West. The slowdown of Asian economic growth, including that of the PRC and India at the turn of the second decade of the 21st century, amidst the persistent crisis in North America and Europe, has once again underlined the integrated nature of the global economy. The prospect that Asia can thrive amidst the economic downturn in the West seems less of a possibility. Whether such a decoupling occurs or not, the notion of Asia’s uniqueness and the exceptionalism of its political values has gained some ground. This in turn is reinforced by a growing sense of threat, economic and political, from Asia to the West. If there was triumphalism in the East about the rise of Asia, there has been rising pessimism about the future of the West.¹⁸

A second frame looks at the implications of the changing distribution of power within Asia instead of the more popular focus on the emerging contradictions between Asia and the US/West. Political scientists tend to argue that changes in the distribution of power are among the principal threats to international peace. If that proposition points to conflict between rising Asian powers and those in the West, it must apply equally to Asia itself. For the rise of Asia involves a significant reordering of Asia itself. The central driver for this is the PRC, which overtook Japan as the second largest economy of the world in 2011. The PRC is on the way to rapidly closing the gap with the US on aggregate GDP. Estimates vary on when the PRC is expected to overtake the US as the world’s largest economy. Some expect that it could take place by the end of this decade. Meanwhile, the PRC is expanding the gap between itself and India. At the turn of the 1990s, the PRC and India were broadly level in terms of aggregate GDP and per capita incomes. By 2010, these indicators were nearly four times larger for the PRC. As

¹⁵ For a debate on the prospects for war in Asia, see Mearsheimer 2006. See also Bitzinger and Desker 2008.

¹⁶ For a provocative framing of the issue, see Mahbubani 2008. See also Lundestad 2012.

¹⁷ Beeson 2009.

¹⁸ Peerenboom 2007. See also Jacques 2009. For a critique of the view on the irresistible rise of Asia, see Pei 2009. For a balanced view of the power shift, see Zakaria 2008.

PRC economic power translates into military power, amidst a purposeful modernization of Chinese armed forces, there is no doubt that the PRC will emerge as the foremost military power in Asia. Some analysts argue that the phenomenal expansion of Beijing's power will return the region to a historic Sino-centric regional order. Others, however, insist that the rise of the PRC will lead to regional instability. Just as Germany's rise drove Europe into two world wars, so too might the PRC's rise. Much will depend on how the rest of the region reacts to the rise of the PRC. From the current indicators, it is quite clear that not all Asian nations will accept a Sino-centric regional security order. While some Asian nations might choose to "band-wagon" with the PRC, others are likely to "balance" the rise of the PRC with tighter alliances and security cooperation with other powers, especially the US.¹⁹

The nature of the Asian responses brings us to the third frame of reference, which examines the role of external powers, especially the US, in shaping the security environment in the region. For decades now, the US has been the principal security provider in Asia, and had few peer competitors in managing the security order in the region. How might the US role in the region evolve amidst the weakening of the US economy, the exhaustion of its military power in the Middle East during the 2000s, and the rise of the PRC? While the US insists that it will remain a "resident power" there is a widespread perception of the US's decline. To be sure, most Asian nations have welcomed the policy of "return to Asia" under the Obama administration. Amidst Chinese assertiveness in the region, the East Asian nations have invited the US to be part of the East Asia Summit and join the defense ministerial consultations of the ASEAN. On its part, the US has signaled its commitment to strengthen its alliances and proclaimed an interest in the peaceful resolution of maritime territorial disputes between the PRC and its Southeast Asian neighbors. Nevertheless, the US is deeply divided about how to deal with the rising Chinese power. Some in Washington believe a conflict with the PRC is inevitable and demand an aggressive containment of Beijing's power before it is too late. At the other extreme are those who say a confrontation with the PRC would be disastrous and propose the development of a framework for "co-evolution" with Beijing in managing the global order.²⁰ Some have called for a more explicit "Group of Two" to manage the international system.²¹ While the Obama administration itself has not used the term G-2, during the first year of its tenure it sought to develop a framework of reassurance towards the PRC that involved US respect for Chinese interests and Beijing's commitment to develop a rule-based international system. Beijing, however, was largely cold to the idea of a G-2 and made it clear that it is not amenable to construct a duopoly on American terms.²²

At the turn of 2012 it became clear that the much talked about US pivot to Asia was no longer about renewed American diplomatic and political interest in Asia. It would have a distinctive military dimension. President Obama announced a new defense guidance in January 2012 that called for a rebalancing of US military forces to the Asia Pacific theater. "US economic and security interests are inextricably linked to developments in the arc extending from the Western Pacific and East Asia into the Indian Ocean region and South Asia, creating a mix of evolving challenges and opportunities. Accordingly, while the US military will continue to contribute to security globally, we will of necessity rebalance toward the Asia-Pacific region. Our relationships with Asian allies and key partners are critical to the future stability and growth of the region. We will emphasize our existing alliances, which provide a vital foundation for Asia-Pacific security.

¹⁹ Ross 2006.

²⁰ Kissinger 2011.

²¹ Brzezinski 2009.

²² European Council on Foreign Relations 2009.

We will also expand our networks of cooperation with emerging partners throughout the Asia-Pacific to ensure collective capability and capacity for securing common interests.”²³

A few months later, the US defense secretary explained the details of the country’s military rebalancing towards Asia. Addressing skeptics, Panetta underlined Washington’s political determination, technological edge, and the enduring capacity to maintain its primacy in Asia despite the constraints of fiscal austerity at home: “over the next five years we will retire older navy ships, but we will replace them with more than 40 far more capable and technologically advanced ships. Over the next few years we will increase the number and the size of our exercises in the Pacific. We will also increase and more widely distribute our port visits, including in the important Indian Ocean region. And by 2020 the Navy will re-posture its forces from today’s roughly 50/50% split between the Pacific and the Atlantic to about a 60/40 split between those oceans. That will include six aircraft carriers in this region, a majority of our cruisers, destroyers, littoral combat ships, and submarines. Our forward-deployed forces are the core of our commitment to this region and we will, as I said, sharpen the technological edge of our forces. These forces are also backed up by our ability to rapidly project military power if needed to meet our security commitments.”²⁴ Besides declaring the US’s political will to devote sufficient resources to the defense of its strategic objectives in Asia, Washington is also debating a new military strategy called the air-sea battle that can cope with growing Chinese military capabilities and Beijing’s new ability to constrain American military movements along the PRC’s coast line. The PRC’s political assertiveness in Asia and America’s strategic response have begun to end a prolonged period of great power peace in the ACI region. If this peace provided the basis for the region’s economic growth and prosperity, the unfolding rivalry between Beijing and Washington makes much of Asia a contested zone between the two in the coming decades.²⁵ This contest in turn will pose significant challenges to Asian regionalism, which has made considerable progress in the last few decades.

5. ASIAN SECURITY REGIONALISM

Asia’s economic regionalism has acquired much momentum since the end of the Cold War. The ASEAN has led the way towards greater economic integration of the ten member states and sought greater integration between the major economies of Asia through the institution of “ASEAN Plus Three” with the PRC, Japan, and the Republic of Korea. The ASEAN also has a separate “plus one” arrangement with India. It has signed free trade agreements with all these major economies. The ASEAN and East Asia, however, are some distance away from creating an economic community of the kind the Europeans have created. Given the recent financial turbulence in the euro area, it is by no means clear whether the ACI region should rush into following the example of the European Union.²⁶

It is particularly in the security field, however, that Asia faces many challenges. At the end of the Cold War, the ASEAN took the initiative to set up a regional forum, the ASEAN Regional Forum (ARF), to create an institutional framework to discuss region-wide political and security

²³ US Government, Department of Defence. 2012, p. 2.

²⁴ Panetta, L. Speech at Shangri La Security Dialogue, Singapore, 2 June 2012, available online at: <http://www.defense.gov/speeches/speech.aspx?speechid=1681>

²⁵ For a discussion of the strategic implications of US rebalancing to Asia, see a series of essays in the section on Asia Pivot . 2012. *Orbis* 56 (3): 333–502.

²⁶ Plummer and Siow Yue, eds. 2009.

challenges. It brought together all the members of the ASEAN and all the dialogue partners of the organization into a single security-oriented platform in the early 1990s. But the record of the ARF has been less than impressive. Many have dismissed it as a “talking shop” of little consequence for regional security. Others, however, point to its not insignificant contribution to the development of cooperative security in the region.²⁷ Recognizing the limitations of the ARF, the ASEAN took the initiative to establish in 2005 the East Asia Summit (EAS), which has emerged as the new institutional framework to consider security problems of Asia at the highest political level. But is the EAS capable of addressing the security challenges of Asia?²⁸

Three broad types of conventional conflict confront Asia. The first is the prospect of war between great powers. Until a rising PRC grabbed the attention of the region, there had been little fear of great power rivalry in the region. The fact that all major powers interested in Asia are armed with nuclear weapons, and the fact that there is growing economic interdependence between them, has led many to argue that great power conflict is not likely to occur. Economic interdependence, as historians might say by citing the experience of the First World War, is not a guarantee for peace in Asia. Europe saw great power conflict despite growing interdependence in the first half of the 20th century. Nuclear weapons are surely a larger inhibitor of great power wars. Yet we have seen military tensions build up between the PRC and the US in the waters of the Western Pacific in recent years. The contradiction between the PRC's efforts to limit and constrain the presence of other powers in its maritime periphery and the US commitment to maintain a presence in the Western Pacific is real and can only deepen over time.²⁹ We also know from the Cold War that while nuclear weapons did help to reduce the impulses for a conventional war between great powers, they did not prevent geopolitical competition. Great power rivalry expressed itself in two other forms of conflict during the Cold War: inter-state wars and intra-state conflict. If the outcomes in these conflicts are seen as threatening to one or other great power, they are likely to influence the outcome. This can be done either through support for one of the parties in the inter-state conflicts or civil wars. When a great power decides to become directly involved in a conflict the stakes are often very high. In the coming years, it is possible to envisage conflicts of all these types in the ACI region.

Asia has barely begun the work of creating an institutional framework to resolve regional security challenges. Asia has traditionally been averse to involving the United Nations (UN) in regional security arrangements. Major powers like the PRC and India are not interested in “internationalizing” their security problems—whether Tibet; Taipei, China; the South China Sea; or Kashmir—and give other powers a handle. Even lesser powers have had a tradition of rejecting UN interference in their conflicts. North Korea, for example, prefers dealing with the United States directly rather than resolve its nuclear issues through the International Atomic Energy Agency and the UN. Since its founding, the involvement of the UN in regional security problems has been rare and occasional.

The burden of securing Asia, then, falls squarely on the region itself. There are three broad ways in which a security system in Asia might evolve: collective security, a concert of major powers, and a balance of power system.³⁰ Collective security involves a system where all stand for one and each stands for all, in the event of an aggression. While collective security systems

²⁷ Haacke and Morada, eds. 2010.

²⁸ For a comprehensive review of the founding and early evolution of the EAS, see Emmers, Chinyong Liow, and Seng Tan 2010.

²⁹ For a review, see Yoshihara and Holmes 2010.

³⁰ For a discussion of the possible security orders in Asia, see Cook, Heinrichs, Medcalf, and Shearer 2009.

are the best in a normative sense, achieving them in the real world has always been difficult. A more achievable goal is “cooperative security” that seeks to develop mechanisms for reducing mutual suspicion, building confidence, promoting transparency, and mitigating if not resolving the sources of conflict. The ARF and EAS were largely conceived within this framework, but the former has disappointed while the latter has yet to demonstrate its full potential.

A second, quite different, approach emphasizes the importance of power, especially military power, to deter one’s adversaries and the building of countervailing coalitions against a threatening state. A balance of power system, as many critics of the idea point out, promotes arms races, is inherently unstable, and breaks down frequently leading to systemic wars. There is growing concern in Asia that amidst the rise of Chinese military power and the perception of American decline, many large and small states are stepping up their expenditure on acquiring advanced weapons systems. Some analysts see this as a structural condition of the new Asia that must be addressed through deliberate diplomatic action.³¹ A third approach involves cooperation among the great powers to act in concert to enforce a broad set of norms—falling in between the idealistic notions of collective security and the atavistic forms of balance of power. However, acting in concert involves a minimum level of understanding between the major powers. The greatest example of a concert is the one formed by major European powers in the early 18th century through the Congress of Vienna after the defeat of Napoleonic France. The problem of adapting such a system to Asia is the fact that there are many medium-sized powers who would resent any attempt by a few great powers to impose order in the region.³² In the end, the system that emerges in Asia is likely to have elements of all the three models. In the interim, though, there are substantive disputes on the geographic scope and the normative basis for a future security order in Asia.

Meanwhile, security regionalism in Asia, led by the ASEAN, is being severely tested by the growing intensity of the PRC’s territorial disputes with its maritime neighbors in the East and South China Seas. The Obama administration’s decision to involve itself in these disputes and the deepening naval tensions between the PRC and the US are adding additional layers of complexity to the regional dynamic. ASEAN has found itself largely paralyzed in dealing with the gathering territorial conflict in the South China Sea between the PRC, on the one hand, and two of its important members, Viet Nam and the Philippines. Maintaining ASEAN unity in the face of these conflicts, let alone rallying behind member states and against the PRC has become very difficult for the organization. The annual meetings of ASEAN foreign ministers in Phnom Penh, Cambodia, in July 2012, ended in political disarray over the question of territorial disputes in the South China Sea. For the first time in the history of the organization, ministers failed to issue a joint statement, and many analysts have attributed this outcome to Beijing’s new ability to influence the internal dynamic in the ASEAN. Beijing, on the other hand, has accused the US of trying to provoke ASEAN members against it.³³ The ASEAN has also found it increasingly difficult to cope with the new contours of Sino-American contestation in Asia. While many would like to see a strong US presence in Asia to provide an effective balance in the region, few would want to be caught in the crossfire between Washington and Beijing.³⁴

³¹ See Bracken 2000. See also, Calder 1997.

³² Acharya 1999.

³³ Storey 2012. See also Xinhua 2012.

³⁴ Thayer 2011.

6. GLOBAL GOVERNANCE

If the problem of constructing a sustainable security order in Asia seems monumental, accommodating Asia and its rising powers into the structures of global governance is likely to be equally daunting. On the economic front, there have been some adaptations to the new situation as in the redistribution of voting rights in the International Monetary Fund during 2011. The creation of the G-20 in the wake of the global financial crisis in 2008 and the inclusion of a large number of Asian countries in it is a recognition of the global distribution of economic power and the impossibility of managing the current international system through the G-7 grouping of western nations. In any event, the PRC's emergence as the second largest economy and its deep interdependence with the US make it a real force in the management of the global economy. But the political arena represents a more difficult terrain for the accommodation of a rising Asia. The permanent membership of the UN Security Council (UNSC) is widely seen as representing the power distribution in the middle of the last century. The attempt to change that structure, strangely, has run into the greatest opposition from the PRC, the only Asian permanent member of the UNSC. Beijing effectively undermined the efforts of fellow Asian powers, Japan and India, to acquire an elevated status in the UN system.³⁵ Put simply, divisions within Asia will continue to complicate the integration of the region into the structures of global governance.

A second complication arises from the divergent political approaches between Asia and the West on key issues relating to international security. Since the end of the Cold War leading Western powers have sought to transform the UNSC into an empowered organization that intervenes in the internal affairs of nation-states in order to prevent genocide or other human rights abuses. Defined as "humanitarian intervention" or the international community's "responsibility to protect", Western leaders have underlined the importance of protecting innocent citizens from extreme oppression by the state or a massive civil conflict in the absence of credible state authority. The PRC and India, on the other hand, tend to emphasize the absoluteness of sovereignty in a truly Westphalian sense.³⁶ Beijing and New Delhi have also expressed strong reservations at what they see as the indiscriminate use of the UNSC to impose sanctions against "deviant" states in areas such as nuclear non-proliferation or the violation of human rights. That this was not an abstract debate has been reflected in UN debates on the question of Iran's nuclear program and on the violation of human rights in Sudan. The issues acquired a new edge since the events known as the "Arab Spring" unfolded in early 2011. The PRC and India, along with Russia, have tended to be squeamish about sanctions and humanitarian intervention in the Middle East. All three nations have also expressed reservations about how Western powers have, in their view, misused UNSC resolutions on Libya, passed in the name of protecting innocent civilians, for regime change.³⁷ This emphasis on "defensive sovereignty" in Beijing and New Delhi must be understood in terms of the Asian colonial experience. It is also rooted in deep suspicion of Western efforts in the past to undermine Chinese and Indian sovereignty in Tibet and Kashmir respectively.³⁸ Both are equally averse to the promotion of regime change by the West in the developing world.

³⁵ Malik 2005.

³⁶ Bajoria 2011.

³⁷ For a background discussion see Chandler 2011.

³⁸ For a discussion of the notion of defensive sovereignty, see Acharya 2011.

A third complication comes from the concept of the “responsible stake holder” in the debates on accommodating the PRC and India into the international order.³⁹ While the debate has been largely focused on the PRC, it is also often directed at India. Neither Beijing nor New Delhi, however, like the idea that they must “prove” themselves as “responsible” members of the international system before they are given a say in the management of the world order. They point to the fact that all great powers in the past sought to prevent or delay the integration of rising powers. They insist the debate on “responsible stakeholdership” is no different. Yet, there is no question that the PRC and India have had the luxury of being “free riders” in an international system.

The Western argument that the rising powers must contribute to the management of the world order is a legitimate one. For the PRC and India, the question is about their emergence as rule-makers and rule-enforcers from their traditional role as rule-takers or rule-breakers. This transition is often complicated by a fifth factor, the occasional emphasis in Beijing and New Delhi on “Asian exceptionalism”. The debate on “Asian values” in the 1990s developed the argument that Asia is different from the West and therefore cannot be subjected to the norms and principles that govern the internal organization and external orientation of nation-states that have been developed in the West. Even as Lee Kuan Yew and others sought to underline the difference between Asia and Western values in the 1990s, there has been expanding democratization.⁴⁰ This argument is not new and has been very much part of the evolution of the idea of Asia at the turn of the 20th century. While the notion of Asian exceptionalism has found some resonance with contemporary Chinese leaders, India has had a more complex response. The Indian political classes are proud of their democratic achievements at home, but continue to oppose democratic crusades from the West. The non-aligned orientation of its foreign policy often trumps the question of India’s international and regional identity as one of the world’s major democracies.⁴¹ Both the PRC and India, however, have been founded on principles that emerged out of the West in the 19th century. Both states are also aware that their growing economies are becoming deeply intertwined with those in the West and beyond. While “Asian exceptionalism” is a defensive reaction to Western pressures on a range of issues—from human rights to foreign aid policies—Beijing and New Delhi can no longer duck the imperative to develop new ideas and initiatives on building a stable order in Asia and the world.

7. CONCLUSION: POLICY PROSPECTUS

Our survey of the geopolitical trends in Asia points to the centrality of the US-PRC relationship for the future of the region. Preventing the escalation of the emerging tensions between the PRC and the US is the single most important political challenge in East Asia. The ACI region has no interest in seeing either a Sino-American condominium or a reduction of the US’s security role in the region. As we have noted, Asia has always had multipolar tendencies. India, which has been marginal to the East Asian balance in the past, is likely to acquire greater salience in the coming years. Some have speculated that India might emerge as the swing state in the regional balance of power. India’s interests, however, lie in the simultaneous improvement of its bilateral relationship with both the PRC and the US and the promotion of harmonious relationships between the great powers in Asia. Central to such effort must be the development

³⁹ Patrick 2010.

⁴⁰ Kingsbury and Avonious 2008.

⁴¹ Muni 2009.

of an “open” and “inclusive” architecture for Asian security. The seemingly simple words, “open” and “inclusive” are critical for the development of a regional security framework that will take care of the interests of all major powers, including the PRC, India, and the US, as well as the interests of the ASEAN as a whole. The challenge is to overcome the continuing movements towards exclusive arrangements, whether it is the US alliance system or the temptation to develop new institutions that tend to keep one or other great power out of regional arrangements.

The PRC and India can make a special contribution to a harmonious Asia by resolving their boundary dispute, the only major land-dispute that still hobbles Asia. A final settlement of the boundary dispute between the PRC and India will not only reduce mutual suspicions between the two countries, but will open the door for greater economic cooperation between Western PRC, the Eastern Subcontinent and the continental ASEAN region. Many parts of the ACI region, that have become landlocked since the middle of the last century, would have the opportunity to access global markets in a comprehensive settlement of the Sino-Indian boundary dispute. Such a settlement would also open up borders for greater connectivity and encourage the implementation of cross-border mega-projects, including oil and natural gas pipelines as well as rail and road corridors.

Even as they resolve the last land boundary dispute in the ACI region, the PRC, ASEAN, and India will have to pay greater attention to addressing the maritime disputes that have acquired a greater salience in recent years. Rising nationalism, which is finding extreme expression in the new maritime territorial disputes, is threatening the many gains the ACI region has made over the years. Amidst the discovery of energy resources in the Western Pacific; rising naval and territorial tensions in the South China Sea, the East China Sea, and the Yellow Sea; the growing importance of the Indian Ocean to Beijing; and the importance of East Asian waters for India, maintaining harmony in the Asian littoral is an urgent requirement. Maritime Southeast Asia, which straddles vital sea lines of communication for the PRC and India, has a great stake in preventing naval competition between Washington, Beijing, and New Delhi. Meanwhile, the PRC and India, which are turning to the seas in a big and sustained way for the first time in their long history, have the responsibility to engage in a maritime security dialogue and confidence building.

At a broader global level, as the rise of Asia alters the structures of global power, the PRC and India have a greater stake in the maintenance of international security. This in turn will require a comprehensive dialogue between the rising Asian powers—the PRC and India—on the one hand and the US—the main provider of security in Asia—on the other. The two sides need to look beyond the traditional divide of “sovereignty” and “intervention”. What they need to do is to develop a balance between values, capabilities, and prudence in deciding when to use force and what constitutes the legitimate use of force by the UNSC. The PRC and India must move from “defensive sovereignty” to “responsible sovereignty”. The US’s own experience in the Middle East in the last decade, and its need to avoid military adventurism abroad amidst a weakening domestic economy, provide the basis for a genuine dialogue on addressing the traditional and non-traditional security challenges to the contemporary international system.

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