

The Dawn of the Asian Century: Southeast Asian Perspectives

Penary Session Three was moderated by **Dr. Rizal Sukma**, Executive Director, Centre for Strategic and International Studies (CSIS), Indonesia. The presenters were **Tan Sri Mohamed Jawhar Hassan**, Chairman, Institute of Strategic and International Studies (ISIS) Malaysia, **Amb Kishan S Rana**, Chairman, CSCAP India, and **Prof Anthony Milner**, Basham Professor of Asian History, Faculty of Asian Studies and Centre for Asian Societies and Histories, The Australian National University, Australia. ISIS Analyst **Zarina Zainuddin** reports.



From left to Jawhar Hassan, Rizal Sukma, Anthony Milner and Kishan S Rana

The first speaker **Tan Sri Mohamed Jawhar Hassan** stated unequivocally that the real issue, in his opinion, was not whether Asia will be the leading power of the 21st century, but what Asia will make of the power. While it is undeniable that the Asian presence will be prominent in the economic sphere, he does not expect the next century to belong exclusively to Asia. There is no doubt that China and India will catch up with the US and Japan in terms of economic size, but he expects the US, Europe, Brazil and Russia to have a strong economic presence along with the other Asian countries.

Although Jawhar expects the economic scene to be a multi-polar one, as far as the military sphere is concerned, the world will still be led by

the US and US-led alliances. China is likely to emerge as a regional power. It still lags behind the US in terms of military superiority and is not likely to overtake the US on the global stage. Asia, in Jawhar's words, is 'a house deeply divided,' a region where rivalries and suspicions remain strong. The situation does not seem likely to change for a long time.

The spectacular rise of Asia, nevertheless, cannot be denied. Millions of people have been lifted from poverty and former empires are regaining their power. The interesting aspect about Asia is its peaceful ascendancy, unlike previous shifts of power that were often accompanied by violence and destruction.

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In the economic sphere, the old powers and establishments worked to accommodate rising nations, providing them with greater voice and presence in the global economic scene. Unfortunately the same cannot be said for the security and political fronts. The UN structure is still the same as it was right after WWII. The Permanent Security Council still excludes powers such as Japan, Germany and India.

In referring to the Prime Minister's keynote address at the Roundtable on regional architecture, Jawhar said he felt that it is most important to concentrate on bilateral relations as the basic building block of regional cooperation. If bilateral relations are taken care of, 'then the region will take care of itself.' And the most important bilateral relations in the region, he pointed out, are China-Japan and China-US.

Next in importance Jawhar said, is the sub-regional mechanism of Asean. Asean success is vital because it not only serves Asean but underpins the entire regional architecture for political, security and economic cooperation, save that of Apec. Hence it is crucial that if Asean desires leadership then Asean must show it is capable of leading.

Geopolitics is out of sync with the converging geo-economics of the region. Military alliances should be more inclusive, not exclusive. Further strengthening of existing alliances where there is no real need to do so, would only encourage provocative reactions he said.

In concluding, Jawhar reiterated his original premise that the rise of Asia must ultimately be meaningful, not only to its elite, but to its people in general.

Amb Kishan S Rana, in looking at the rise of the Asian century, highlighted four points.

First, he said, one should not overlook India and Indonesia. The achievements of these two countries were often underestimated until recently. He pointed out that even now, information on India's economic pace is backdated. While India was and still is known for its software and outsourcing centres, not many are aware of its excellence in 'frugal engineering'¹ and its prowess as innovator. Rana also pointed out to the spirit of entrepreneurship and the growing sense of confidence in the economy among Indians. However, Rana acknowledged the number of problems that are still prevalent, especially in infrastructure.

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Another aspect that is often neglected is demography, specifically the dependency ratio (number of population working to support those not working). The bottom line, he said, is that a

¹Footnote: Frugal Engineering is the science of breaking up complex engineering processes into its basic components and then re-building each component in the most economical manner. The end result is a simpler, more robust and easier to handle final process, and a much cheaper final product, which does the same job, qualitatively and quantitatively, as a more expensive complexly engineered product. It is generally believed that Indians and other South Asians are the most adept in frugal engineering, because resources and capital are scarce in this region.

great deal of growth is yet to take place in India and Indonesia.

The second point was that the role of democracy and good governance has been underestimated as well. The right of people to choose the government democratically is important for stability and growth. Rana urged the relevant think tanks to engage in empirical studies on the positive impact of democracy on economic growth within the region.

The third point was the failure to address people-to-people contacts within the region. While applauding the creation of ISIS think tank networks or track two processes, Rana said he felt more had to be done to increase people-to-people contacts. The European Union (EU) was an example of how to proceed. The EU came to be because France and Germany, two countries that had contentious relations, initiated and expedited people-to-people contacts.

Rana's fourth point was the need to have an inclusive approach for all the security, economic and political architectural structures. He pointed out the differences between the Asean plus Three (APT) mechanism and the East Asia Summit (EAS). The APT mechanism has about 50 smaller programmes designed exclusively for its members. But for EAS, other than the leaders' meetings, there are no other supporting mechanisms. He hopes that such programmes can begin soon, citing the former Japanese and Australian Prime Ministers' ideas of community as attempts to address the void.

In conclusion, Rana cautioned that Asia should not be over-confident. There is nothing preordained about the Asian century. He recalled the 80s when Japan was predicted to become the number one economy. This did not happen. Japan failed to top the US, and has been overtaken by China; it is now the world's third largest economy. While Asia should stride ahead with growth programmes and efforts to improve its citizens'

well being, it must also be mindful of potential pitfalls and be prepared for them, he said.

Prof Anthony Milner began with a discussion on the MacArthur Asia Security project report, which outlines four possible Asian future security scenarios: continued US primacy, an Asian balance of power, an Asian concert of powers, and finally, Chinese primacy over the region.

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The study is based on the assumption that power distribution determines strategic order. Milner feels that while the study is useful, a more in-depth look is needed to examine the premise of the Asian Century. The study of the region's future is often wrapped around the premise of the rise of China. In Australia at least, universities are allocating more resources towards Chinese studies, at times at the expense of studies on other countries such as the US, Japan, Indonesia, India, etc.

He said that while the various aspects of Chinese ascendancy should be studied, it could also be true that China's rise is the most predictable element of the Asian century. The more interesting aspect, said Milner, is how other countries react to the rise of China.

Milner pointed out that as the colonisation of Asia went on for a long period of time, prevalent Western values permeated the Asian way of thinking and doing things long after the colonial powers left. He wondered whether the rise of Asia would lead to the rise of Asian thinking, values and norms, and whether traditional ideas would be investigated and

reformulated, with the new realities giving rise to modern Asian values.

He said the Asian values project of the 1990s was an attempt by the region to identify the reasons for Asia's economic success, to define the values that underpinned the desire for social harmony, and to try to establish how far a Southeast Asian and East Asian community might find common ideas, and a common sense of community in local heritage, values and norms.

Some liberal western concepts such as the notion of sovereign states, ethnicity and race, the focus on the rights of the individual, justice, human rights and so forth, had parallel Asian concepts, with concomitant histories and legitimacy, before they were overthrown and replaced by colonialism.

Is it enough to assume, Milner questioned, that as power shifts, its building blocks remain the same? Can we assume everyone will play the usual Western game? That English will remain the lingua franca of the region, or indeed the world? Will business suits and western norms continue in Asia or will new ideas from Asia rise and begin to dominate?

Concern over national sovereignty is assumed as a given in Asia, but there is no such thing, said Milner. Asia has enormous experience in overlapping sovereignty; centres define instead of nation states. The region is well prepared for the rise of mobile hierarchical city states rather than territorially-equal, nationally-defined relations.

The dawn of the new Asian thinker might very well lead to the loosening of rigid social structuring, at least at one level. In the language of Asia, the government has a duty to guarantee order in the community, at the level of thoughts and spiritual life. The government has a duty to promote a cultural and religious calm as opposed to liberal western ideas. It is possible, Milner said, that we will see increased policing of thoughts,

and intrusions into citizens' lives — a revival of an earlier moral understanding of the duties of the rulers.

On the one hand, the Asian century might bring about a reduction in demands for rigidity of nation states or social classifications of race and ethnicity, moving towards city states or city centres in a mobile flexible hierarchy. On the other hand, governments may take on the new responsibility of what today might be seen as idea or cultural management.

Milner admits that his speculations on what the Asian century might bring, primarily in terms of shifts of power, might prove to be nothing more than a superficial exercise. Efforts should concentrate on the deeper structural changes, and what the shifts away from the Western idea influence can eventually usher in.

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