

## **Heinrich Kreft: The Realignment of Power within Asia and Its Consequences**

If someone speaks of Asia today, he or she will probably be referring to China or – less probably – India. An Asian, or rather a Chinese-Indian, era seems to be impending. While this is not the first time such a forecast is made, there are more and more signs indicating that an Asian century has already begun, and that Asia is now challenging Europe's and America's supremacy in economics and power politics. Even the US National Intelligence Council (NIC) is convinced that Asia will rise, pointing out its combination of high economic growth, increasing military power, and a growing population. It is beyond question that China is currently going through a phase of radical changes that will certainly affect the people of Asia, the USA, and Europe.

The current situation in Asia may be described by five signal characteristics.

First: Despite China's rise, the USA still dominates the region in several respects. Like that of Japan and the East Asian Tiger states before it, China's rise in the world would not have been possible without an open US market. What is more, the region's security architecture is shaped by the USA. What ensures Asia's security as well as its economic development are Washington's five alliances with Australia, Japan, South Korea, the Philippines, and Thailand that were established several decades ago. Following something like a hedging strategy, they surround China, serving the USA as security in case Beijing should strive to compete with Washington strategically one day.

Second: China's rapid rise is taking place in the economic, political, diplomatic, cultural, and strategic field. Beijing endeavours to expand its relations with its neighbouring countries except Japan and Taiwan and, since 1998, has shown itself more and more willing to be integrated into a network of institutional arrangements. What is more, China's central role in production networks is growing, and virtually all Asian states today see China as a good neighbour, a constructive-minded partner, and a guarantor of the status quo in regional power politics.

Third: What plays a major role in determining the current situation in Asia are the relations between the USA and China, which are quite complex – on the one hand, they are characterised by close economic interconnections, and on the other, by a high degree of mutual distrust for the motives of the other side. This is why the two American China experts, Mr Lampton and Mr Shambaugh, speak of a 'hedged engagement' – a kind of cooperation with reinsurance. To ensure that these relations steer a safe course in the future, avoiding the numerous shoals, a constant American-Chinese dialogue is inevitable.

Fourth: What is also characteristic of Asia's current situation is the deterioration of relations between China and Japan, for despite their robust economic interconnections, the political relationship between the two countries is becoming increasingly dysfunctional. Japan and China are competing for leadership in the region; in Japan, this contest is described as 'hot economics and cold politics'. The relationship between the two countries, now equally powerful for the first time in history, is marked by growing nationalism, mutual distrust, and a profound mutual aversion that is deeply rooted within their societies. This aversion dates from events in the twentieth century more than anything else. There are even signs that indicate an arms race between the two nations, giving even Washington cause for concern.

Fifth: It is becoming increasingly important to establish a regional security community and a multilateral Asian architecture. At the core of this community lies the ASEAN Regional Forum, although the Shanghai Organisation for Cooperation and the South Asian Association for Regional Cooperation are important as well.

It may be considered probable that China's as well as India's rise will progress, causing America's influence and, consequently, that of the West as a whole to dwindle in Asia – in economic, political, cultural, and later even military terms. It is a legitimate question whether or not Asia's future will be marked by rivalries between great powers, which would take place within the framework of a more or less precarious equilibrium and would be dominated by two competing powers, China and the USA.