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Institute of South Asian Studies
National University of Singapore
29 Heng Mui Keng Terrace
#08-06 (Block B)
Singapore 119620
Tel: (65) 6516 4239 Fax: (65) 6776 7505
www.isas.nus.edu.sg
<http://southasiandiaspora.org>



Change in America and its Impact on Asia

*There is no doubt that America is changing in several unexpected ways. This is reason enough for Asia – including South Asia – to get to know the country that is evolving and the direction it is taking as it moves forward towards another presidential election. Change has come for several reasons and each will matter for the world, especially for Asia. In this essay I will explore why the United States has moved away from the path it had followed with confidence once it became the sole superpower. That happened in 1991 with the collapse of the Soviet Union. With the current campaign for the US presidency having entered the final round of the contest, the nominees of the two main political parties for the forthcoming presidential elections have taken positions that will, in different ways, influence how America relates to the world, in particular to Asia. **The end of history?***

Shahid Javed Burki¹

The sociologist Francis Fukuyama was so impressed with the disappearance of the Soviet Union that he coined a phrase – “the end of history” – to suggest that the American-supported liberal democracy had finally emerged as the preferred system of political and

¹ Mr Shahid Javed Burki is Visiting Senior Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. He can be contacted at sjburki@gmail.com. The author, not ISAS, is liable for the facts cited and opinions expressed in this paper.

economic governance around the world. But that excitement did not last long and in his own later work – on political development and political decay – Fukuyama changed his mind.² Watching the stresses on the political systems in Europe and the United States, he concluded that the West had not necessarily triumphed and some alternate systems such as those that had produced extraordinary results in China and Vietnam may become attractive for those areas where political and economic systems and the role of the state were still works in progress.³

America made a large contribution to bringing about Moscow's fall and in that enterprise two South Asian nations – Pakistan and Afghanistan – played important roles. Both collaborated to fight the Soviet Union's occupation of Afghanistan and both did it with foreign support. The United States and Saudi Arabia helped in ways that profoundly influenced developments of the parts of the Muslim world that are in South Asia or about the sub-Continent. The rise of Islamic extremism will have consequences for South Asia which has the world's largest population of people of Islamic faith. According to some demographic projections India is set to become the world's largest community by the middle of this century.

Change and the American Presidential Election

I will begin this essay with a quick overview of where American-Asian relations stand as President Barack Obama heads towards the exit. The departing president had promised to bring Asia more fully as a player on the world stage. He was hoping to do this by following not the course he had set for himself and his country when he began his presidency in January 2009. During his two tenures in office, while his objective did not change, his tactics certainly did. Most of the change occurred because of the economic and military rise of China. By one estimate based on the purchasing power parity of accounting, the size

² Francis Fukuyama, *The End of History and the Last Man*, New York, Free Press, Reissue edition, 2006.

³ Francis Fukuyama, *Political Order and Political Decay: From the Industrial Revolution to the Globalization of Democracy*, New York, Farrar Straus and Giroux, 2015.

of the China became the world's largest economy in the last quarter of 2016. It then overtook the United States. That said, China's income per head of the population will be only a fraction of that in the United States for decades to come. But the size of the economy is one reason why America would play differently on the global stage. Change is also coming because of some unexpected consequences of what economists in the 1980s had begun to call the process of "globalization." Increased competition between the older economies and those that are called "emerging" has created a class of people in Europe and the United States who have seen stagnation in their incomes. These unhappy segments of the population have produced political movements such as Brexit in Britain and the rise of Donald Trump in the United States.

Obama will be succeeded either by Donald Trump, the unpredictable and maverick non-politician and real-estate tycoon the Republican Party put forward as its candidate. Or he will be followed into the White House by Hillary Clinton, the Democratic Party's nominee. The latter has decades of experience in public affairs. Having served as Secretary of State for four years (2009-2013) she knew the world well.

There will be deep changes in America's relations with Asia if Trump moves into the White House. Some of these distressed the editorial writers of *The New York Times* when they devoted one half of their editorial page in explaining "Why He Should Not Be President." It appeared on September 26, the day Trump and Clinton faced each other for the first of the three debates before the election on November 8, 2016. It is worth quoting the editorial at some length to indicate the positions the Republican candidate has taken. "If Mr. Trump were to become president, his open doubts about the value of NATO would present a major diplomatic and security challenge, as would his repeated denunciations of trade deals and relations with China. Mr. Trump promises to renegotiate the Iran nuclear control agreement, as if it were an air-rights deal on Broadway. Numerous experts on national defence and international affairs have recoiled at the thought of his commanding the nuclear arsenal. Former Secretary of State Colin Powell privately called Mr. Trump an 'international pariah.' Mr. Trump has repeatedly denounced global warming as a hoax ... In expressing admiration for the Russian president Vladimir Putin, Mr. Trump implies

acceptance of Mr. Putin's dictatorial abuse of critics and dissenters, some of whom have turned up murdered, and Mr. Putin's vicious crackdown on the press.”⁴

It was often said by analysts who followed the presidential campaign that were Clinton to be elected it would mean giving Barak Obama a third term. She is expected to follow the path laid down by Barack Obama in the eight years he would have served as president by January 20, 2017. While that would not be surprising since she worked in the Obama administration for four of his eight years as Secretary of State. In January 2009, the newly elected president was able to persuade her to join his administration. Hillary Clinton had fought him in a bitter contest to lead the Democratic Party. His approach to her was termed as the creation of a team of rivals akin to the one put in place by Abraham Lincoln.⁵ The two worked well as partners in the making of foreign policy. There were occasional differences in the way they dealt with the many difficult situations America faced in the world but the relationship was warm enough for Obama and his wife Michelle to spend a great deal of time campaigning for her in the summer and fall of 2016.

While not holding back her admiration for the man who competed against her for the White House, her second memoir, *Hard Choices* presents a thoughtful account of the differences between her and the president on some matters, in particular those concerning the Middle East.⁶ Michiko Kakutani, a book reviewer for *The New York Times*, described the book as a “subtle, finely calibrated book...a statesmanlike document...with succinct and often shrewd appraisals of the complex web of political, economic and historical forces in play around the world, and the difficulties American leaders face in balancing strategic concerns with ‘core values’.”⁷ David Ignatius, *The Washington Post* columnist also wrote about the book and was impressed with the work. He found it as “clear and riveting account of Hillary Clinton's four years as secretary of state...[The book] bolsters her reputation as a strong ‘representational diplomat who carried the US flag to 112 countries...Clinton displayed

⁴ The New York Times, editorial, “Why he Should Not be President,” September 26, 2016, p. A26.

⁵ The term was used by Doris Kearns Goodwin in her book, *Team of Rivals: The Political Genius of Abraham Lincoln*, New York, Simon and Schuster, 2006.

⁶ Hillary Rodham Clinton, *Hard Choices*, Simon and Schuster, 2015.

⁷ Michiko Kakutani, “Hillary Clinton's book, ‘Hard Choices’ portrays a tested policy wonk” *The New York Times*, June 7, 2014, p. A23.

good judgment as secretary of state and understood come important issues earlier than he boss, President Obama...”⁸

Pivot to Asia

It was expected that when in January 2017 President Barack Obama hands over the reins of power in Washington to his successor, the United States’ relations with Asia would occupy the centre stage of the country’s dealings with the world. The president had promised that during his tenure in office, there will be America’s “pivot” to Asia. What was the exact meaning of the word “pivot” was never quite defined. It only suggested that the Asian continent would figure more importantly in Washington’s thinking. There will be less involvement with Europe; possibly also in the Middle East. He had promised to pull out the American troops from both Iraq and Afghanistan thus ending the two wars his predecessor had started during his eight years in office.

The United States, Obama believed, had done its work in Europe. It saved it from authoritarianism in the early 1940s by going to war against Germany and Italy, the axis powers. It helped redevelop Europe after the destruction caused by the Second World War. This was done by launching the Marshall Plan that provided billions of dollars of US assistance to the war-torn countries. Learning a lesson from the way those vanquished in the First World War were treated by the victors, no distinction was to be drawn this time around between the winners and the vanquished. As Joseph Lelyveld discusses in his recent book, *The Last Months of Franklin Roosevelt*, the then American president avoided the pitfalls into which Woodrow Wilson, one of his predecessors, had fallen after the end of the first European continental war.⁹ After the Second World War, a set of institutions was created at a victor’s conference held in Bretton Woods, New Hampshire, a state in the United States. The United States also kept the Soviet Union at bay from the western part of the continent during the forty-year Cold War that ended with the collapse of the Soviet

⁸ David Ignatius, “In Hard Choice, Hillary Clinton opens up about world leaders and what she got right,” *The Washington Post*, June 9, 2014, p. A21.

⁹ Joseph Lelyveld, *The Final Battle: The Last Months of Franklin Roosevelt*, New York, Knopf, 2016.

Union. With its task done, the United States could move on to the regions to which it had not given much attention. Asia was on top of the list.

The Middle East was another world region in which Obama didn't wish to get bogged down. He acknowledged in a series of interviews he gave during his two last years in office that resulted in two articles by reputable analysts in widely read journals. In his essay in *The Atlantic*, Jeffrey Goldberg told his readers that Obama was totally opposed to American efforts at nation-building in the Middle East. He was also not inclined to get the United States involved in region's many conflicts. In effect, the Middle East was to be left to the Middle Easterners. Thus freed, the United States could turn – or pivot – to Asia. “Over the course of my conversations, I came to see Obama as a president who has grown steadily more fatalistic about the constraints on America's ability to direct global events, even as he has, late in his presidency, accumulated a set of potentially historic foreign-policy achievements... These he accomplished despite his growing sense that larger forces – the riptide of tribal feeling in a world that should have already shed its atavism; the resilience of small men who rule large countries; the presence of fear as a governing human emotion – frequently conspire against the best of human intentions. But he also has come to learn, he told me, that very little is accomplished in international affairs without US leadership.”¹⁰

There were two reasons for Obama's interest in Asia: economics and China. Obama had bought the argument advanced by scholars such as Singapore's Kishore Mahbubani that the 21st was going to be the Asian century.¹¹ The fast growing economies of the eastern part of the continent had grown or were growing at the rates of GDP growth several times the rate of increase in the West. First Japan and then South Korea had closed the per capita income gap with the West. Later, China had crossed the United States in terms of the size of its national product when it was measured by the purchasing power parity. If East Asia was to be viewed as the western part of the Pacific Ocean, then the United States sitting on the eastern part of the large ocean belonged to the Pacific Rim. Obama preferred the

¹⁰ Jeffrey Goldberg, “The Obama Doctrine, How he's shaped the world,” *The Atlantic Monthly*, April 2016, pp. 70-90.

¹¹ Kishore Mahbubani, *The New Asian Hemisphere: The Irresistible Shift of Global Power to the East*, New York, Public Affairs, 2009.

“Pacific Rim” label more than that of East Asia and he used it often while discussing his country’s interest in the area.

China was the other reason for Obama’s Asia interest. In the first year of his presidency, Obama had adopted a different approach towards China. As I had discussed in an earlier ISAS Insight, in a speech delivered in Tokyo when he travelled to the continent for the first time as the American president, he suggested accepting the position that China had achieved in global economic affairs. He proposed a kind of G2 arrangement that would sit atop the global economic policymaking structure. However, Beijing under the cautious President Hu Jintao, did not show any interest in pursuing that suggestion. Also the more conservative elements in the United States were aghast that their president was prepared to share with other nations the pinnacle of power the country had occupied since the collapse of the Soviet Union.¹²

Asia was the most visited country by the US president during his two terms in office. He went to the continent eleven times and visited all countries in the east but only India in the south. The eleventh visit was to China and Laos; to Hangzhou in China to attend the meeting of the G20 heads of state and to Vientiane, Laos to join the Asian leaders attending the Asia Pacific Economic Cooperation meeting. “...the trip looked rude and ragged from the outside,” wrote *The Washington Post* in an editorial. “It began with a botched arrival in China, featuring a missing staircase, that some interpreted as a deliberate snub of the president. Then came an unmistakable insult from Philippine President Rodrigo Duterte, who obliged Mr. Obama to cancel their bilateral meeting by calling him the Tagalog equivalent of a ‘son of a whore.’ The kerfuffle was particularly troubling because it came as China marshalled ships near a shoal whose defence from Beijing’s incursions has been a focus of recent U.S.-Philippine cooperation.”¹³

But the administration officials took a different view of the outcome of the 11th Asian visit. They cited the mutual commitment of the American and Chinese president to a global

¹² Shahid Javed Burki, “Obama’s ‘War on Terror’: A South Asian View, Institute of South Asian Studies, Insight No. 261, 19 September 2014.

¹³ *The Washington Post*, editorial, “Mr. Obama’s stalled pivot: His diplomacy in Asia will leave some big problems unsolved,” September 8, 2016, p. A16.

climate change accord. Also viewed as success was the confirmation, following a meeting with the South Korean president, that a U.S. supplied missile defence system will be deployed despite Chinese objections. In a talk with the press in Laos where he was the first U.S. president to visit, Obama summed up some of his achievements in Asian dealings. His administration had concluded new defence agreements or collaboration with Japan, Australia and South Korea; it had deployed more military capability to the region; and improved relations with former adversaries such as Myanmar and Vietnam. All these successes belonged to the policy that Beijing saw as the “China containment” approach but the Americans preferred to call the Asian pivot. Under Obama’s stewardship, the United States may not have gotten as close to Asia as he would have wished but Washington made several advances on a number of fronts. It is important for Asian policymakers to understand how the United States is approaching their continent and how this relationship is likely to develop in the next decade or so. Such an understanding can only develop by carefully examining a number of areas in which United States and the various Asian nations will interact. This is the reason for undertaking this analysis at greater length.

A Broader Glimpse of the Changing Landscape

To engage with this broad theme, I will examine how the American approach towards nation-building is likely to influence developments in the world’s politically less developed areas. While the United States under Obama was less inclined to involve itself in bringing democratic orders in the countries that were still struggling to define their political systems, it was anxious to get engaged in economic matters. International trade and foreign direct investment were the two levers the United States most often used to move its interests in foreign lands. These two areas will be examined in one of the “Insights.”

While President Obama would have liked to concentrate most of his policy effort strengthening his country’s ties with Asia, Washington could not – and did not – ignore the consequences for its global status by the rapid economic and military rise of China. In 2013, just as Obama was beginning his second term in office, a new leader took command of policymaking in Beijing. President Xi Jinping was a much more confident and assertive

leader than Hu Jintao, his immediate predecessor. Under the new leader, China began to push its interests to the point where it was seen to be establishing its own geographic sphere of influence. The Pacific was long dominated by the United States; now a determined challenger had arrived. China-US relations in a state of flux at this time will be the subject of an “Insight” in this series.

The way the United States handled China was bound to influence its relations with India, the second largest Asian economy and political power. Washington made attempts to recruit New Delhi as a partner in what Beijing saw as “China containment” policy. India’s response to these overtures was different from the traditional one – that of non-alignment. A year after Obama began his second term and a year also after China got a new leader, the reins of power passed into the hands of a new leader. Narendra Modi was considerably less cautious and more enterprising in dealing with the world than Dr. Manmohan Singh, his predecessor, who had governed the country as prime minister for ten years. Modi swung India’s foreign relations towards a closer alliance with the United States while pursuing nationalist interests in managing relations with the countries in the neighbourhood. During Modi’s first two years in office, relations with Pakistan have deteriorated to the point where citizens and analysts on both sides of the border have begun to talk about the possibility of another Kashmir war. India refused to attend a summit of the South Asia Association of Regional Cooperation, SAARC, that was scheduled for November 2016. The summit was cancelled. As I have argued at some length in my forthcoming book, *Rising Powers and Global Governance*, it would benefit South Asia and the sub-Continent’s citizens if the area’s leadership could fashion foreign affairs to promote regional interests rather than focus entirely on pursuing national priorities.¹⁴ South Asia and relations with the United States will be the subject of a future study.

The United States will also need to address the question of the role it should be playing providing leadership to the world in dealing with the issue of climate change. Along with the “pivot to Asia,” global warming was of great interest to President Obama. Even while tensions had increased in the China-U.S. relations, Washington continued to work with

¹⁴ Shahid Javed Burki, *Rising Powers and Global Governance: Changes and Challenges for the World’s Nations*, New York, Palgrave Macmillan, 2016.

Beijing to develop an approach the world's nations could follow in preventing irreversible damage to the globe as it continued to warm. Donald Trump, one of the two main contenders for Obama's job which he is set to relinquish in January 2017 called global warming a hoax. He promised to pull the United States out of the Paris climate agreement of December 2015 if he succeeded Obama in the White House. It was Obama's aim to get the Paris climate agreement become effective before he left office. This was to be an important part of his legacy. This objective came near realization on October 2 when India became the 62nd nation to ratify the Paris accord. Climate change was an important reason for the close working relationship that developed between Obama and Narendra Modi, the Indian prime minister. The Indian leader was also committed to realizing the Paris objectives.

Discussing America's future from the perspective of the country's foreign relations tells only two-thirds of the story. The remaining third will be the subject of another set of Insights that will focus on a number of domestic concerns and issues. The first of these will examine how the process of globalization affected the American economy and the framing of domestic economic and social policies. There as at this time several negative responses to America's economic openness. These were brought to the surface by the presidential election campaign of 2015-16. Most analysts, domestic as well as foreign who closely watch America, saw the presidential contest throwing up the worst in American politics. This was the case in at least three areas of policymaking – the United States' approach to immigration; its approach, in particular, towards the world of Islam, towards Muslims living across the world, and towards its Muslim population; and the approach towards increasing even more its military strength. Future research will cover these three areas.

Future research will need to focus on technological developments, an area in which America has a clear advantage over other nations. Technological advance seldom figures with any kind of prominence in writings on politics, economics and social change. I will instead write an Insight on how recent advances in various technologies are creating a "new America" and how this America will influence the rest of the world. I will focus in particular on the role the South Asian diaspora is playing in this area. The Indians in the

United States have made impressive contributions to keeping America ahead of the technological development trajectory.

Conclusion

This essay engages with the broad theme of changing America and its impact on Asia, including South Asia, at a moment when the world is being convulsed by a number of awkward developments. Compared to the Middle East, Europe, and the United States the Asian continent is relatively stable. This is so even when the rise of China will inevitably lead to a significant realignment of relations among area's many countries. The competition between China and the United States will have enormous consequences for the Asian continent. The reason for writing these studies is to alert policymakers to the changes taking place outside the continent's borders. They should find ways to deal with these as a continent rather than let each country find its own way. To adopt a continental rather than a national approach will need strong leaders who can look beyond the interests of their own capitals. It will also need the involvement of multi-national institutions that can bring all of Asia together. Several regional institutions now exist. They are stronger in East Asia than in South Asia. In the latter part of Asia, the South Asia Association of Regional Cooperation (SAARC) has not found a way of working beyond the interests of the member states. The latest evidence of this came in late September when Afghanistan, Bangladesh, Bhutan, and India pulled out of the planned November summit which was to be held in Islamabad, Pakistan.

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