

# Asia Matters to America

Presentation for Class on  
Diplomatic Perspectives  
In Asia and the Pacific Rim

# About the speaker

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# Asia's size defies definition

- Geography: From Japan in east to Turkey in west. Includes areas not normally associated with Asia: Middle East, Central Asia and Russia
- Asia proper divided into sub-regions
  - South Asia, includes India and Pakistan
  - Southeast Asia, includes the archipelago
  - North Asia, includes China and Japan
- Increasingly includes the Oceania (Australia and the Pacific islands)

# Political definitions

- Asia-Pacific: State Department, East West Center
- APEC (Asia-Pacific Economic Cooperation) forum is the world's largest trade bloc which also includes South American countries
- East Asia Forum redefines the region that includes countries outside the East Asia region for political reasons

# Asia's population

- 60 percent of the world's nearly 7 billion people live in Asia
- Six of world's 10 most populous countries in Asia: China, India, Indonesia, Pakistan, Bangladesh, Japan and Korea
- Large population is both an economic liability and potentially an asset.
- Japan and China ageing but India and Indonesia undergo demographic dividends

# Diverse cultures

- Most heterogeneous continent
- Some nation states Japan, Korea and China but some states are not defined by nations and reflect old European colonial interests
- Home to ancient civilizations: China, India
- Home grown religions and faiths: Hindu, Buddhism, Taoism, Confucianism, but also has large concentration of followers of imported faiths, particularly Islam and Christianity.

# History of wars and conflicts

- Legacy from past conflicts and modern-day rivalry create tensions and mutual suspicions: Japan with China, and Japan with Korea, and China with India
- Frictions over borders and territories among large and small states
- Potential flashpoints: in Korean peninsula, across Taiwan Strait, over Kashmir
- Overlapping maritime territorial claims in North China and South China seas, involving China

# Different political systems

- Most ruthless regimes: Burma, Korea
- Communist states: China, Vietnam
- Absolute and constitutional monarchy: Brunei, Thailand
- Semi-democracies: Singapore, Malaysia,
- Full-fledged democracies: Japan, Korea, India, the Philippines, Indonesia
- Too different to form a community but working towards for modest goal of cooperation



# The Asia Pacific Century (1)

- 21st century belongs to Asia Pacific
- Center of economic gravity shifting to East Asia
- Started with Korea, and the new economic tigers Singapore, Malaysia, the Philippines, Thailand and Indonesia in 1990s
- China, India and Vietnam latecomers in 2000s
- Sustainable and high economic growth rates

# The Asia Pacific Century (2)

- Growth rates fueled mostly by exports of manufacturing goods
- Dependent on West markets but gradually on Asia's own large markets as Asian's own prosperity grows
- Assume more global responsibility, join G20, China-US in G2
- Asia the driver in global economic recovery
- Caveat: Asia's per-capita income still low, and absolute poverty still large

# China, the elephant in the room

- Until recently, Beijing's charm diplomacy led to the term "peaceful rise of China"
- Lately signals flexing military muscles and exercising sovereignty claims in the North China and South China seas
- China needs to secure access to energy sources
- South China Sea has large reserves of natural gas. Claimed by countries bordering the waters
- Tough words from Beijing followed by launching of China's first aircraft carrier. Officially now a maritime power

# The US role in Asia (1)

- The US has always been a Pacific power.
- Involved in wars in Korea in 1950s and Vietnam in 1960/70s. Still has troops in Japan, Korea and patrols the Pacific waters
- Has security alliances with several Asian countries
- US presence helps to preserve peace and stability, allows region to focus on economy

# The US role in Asia (2)

- Source of foreign aid (USAID)
- Foreign direct investment
- For most Asian countries, US is their biggest trading partners and largest destination for exports

# Some roles are irreplaceable

- Security guarantor. Given the tensions and mutual suspicions among Asian states, the US presence will continue to be important in maintaining regional peace and stability
- The US dollar remains the currency of choice in international trade in the absence of any better alternative
- US as a source of technological invention, research and academic excellence

# US engagements in Asia

- Security arrangements with traditional allies Japan, Korea, Australia, Thailand and the Philippines
- Partnership and dialogue with most other countries: China, India, Indonesia, Malaysia
- Free trade agreements with individual countries
- Active participants in regional forums including Asia Pacific Economic Cooperation (APEC), East Asia Summit

# Asia Matters to America

- Export markets: In 2009 \$414 billion, larger than exports to EU, Canada or Mexico
- Jobs dependent on exports to Asia: 850,000 and growing
- FDI from India, Japan and Australia larger than US investment in those countries. Korean automakers also investing more aggressively in the US
- Growing number of “Asians” among US immigrants. Over a quarter of foreign-born US citizens from Asia.
- Presence of Asian students in the US, more than 350,000, spend \$9 billion/year



# More Resources

- Asia Matters for America by Satu Limaye, Director of East West Center Washington  
<http://yaleglobal.yale.edu/content/asia-matters-ame>
- Asia Matters for America  
<http://asiamattersforamerica.org/>
- East West Center in Washington  
<http://www.eastwestcenter.org/ewc-washington/eas>
- Asia Society in Washington  
<http://asiasociety.org/centers/washington-dc>