

**CSC New Insights Lecture on
"Obama and Asia: American Power and the Rise of China"
by Professor G. John Ikenberry, Albert G. Milbank Professor of Politics and International
Affairs, Department of Politics and the Woodrow Wilson School of Public and International
Affairs, Princeton University**

4 June 2010

Summary: In this lecture, Professor G. John Ikenberry shared his thoughts and views about President Obama's philosophy and approach towards Asia. He described President Obama as realistic, liberal and different from his predecessors. Professor Ikenberry also examined some of the recent thinking about global governance and international relations. Although several commentators have listed China as well as energy conflicts as major issues that might impact the US, professor Ikenberry was sceptical of these views and provided several reasons for it. These include the observation that emerging powers are tied to the current system, through trade and financial links, and are motivated to enhance it. Professor Ikenberry concluded his presentation with a view on President Obama's current strategy of "engagement" with China and the possible developments.

Professor G. John Ikenberry began his lecture by highlighting the latest National Strategy report that the Obama Administration recently published. He thought it was very similar to his philosophy of the way to engage with China. Some questions he raised before he proceeded on the lecture were:

1. What is Obama's vision?
2. What are the major foreign policy approaches?
3. Is there a substantial difference between President Obama's and his predecessor, George Bush Jr.'s approaches?

President Obama and His Principles

Professor Ikenberry emphasized that President Obama is "different" as compared to his predecessors. President Obama came from a new generation that had no direct experience with the world wars and a non-traditional background – living in Hawaii and being educated during his youth in Indonesia. His concern is focused more on the divide of development between the North and South, than the East and West ideological differences. President Obama also came in a time of bulging government and external debt in the midst of a financial crisis. His current experiences also differ from his predecessors with the recent rise of emerging powers such as the BRIC (Brazil, Russia, India, and China). He is also the first president in many years who gets the budget director directly involved in all his meetings to ensure the finance department a voice in the strategies he considers. While this might show his consultative nature, it also signifies the budgetary constraint he faces.

Professor Ikenberry described some of the principles of President Obama's approach towards foreign relations. President Obama was described as pragmatic and rational, seeking to solve problems rather than sticking to ideological absolutes, being open to reason and showing no bias during his discussions. Professor Ikenberry also described President Obama as comfortable working with both democracies and non-democracies. In summary, President Obama, as depicted

by Professor Ikenberry, is both realistic and liberal. On the other hand, although the President's negotiations and dealings with foreign powers are realistic, Professor Ikenberry believes President Obama still upholds certain visions such as disarmament, development and multilevel cooperation. Before commencing on the next section of his lecture, Professor Ikenberry raised a few questions for the audience to consider while they listen. Namely:

1. What kind of global system is President Obama merging?
2. What kind of world order is coming forth?
3. What threats and opportunities are there?
4. What sort of historical moment is it?
5. How do we think about power transitions?

Experts' Opinions on Global Governance and International Relations

With regard to these questions, Professor Ikenberry cited several different sources of opinions. The first was from the former Secretary of State, Henry Kissinger, to whom Professor Ikenberry cited as saying "never seen such a 'flux' of this world with no new agreements and yet numerous changes." Professor Ikenberry also cited the Trends Report of 2008 that suggested a new multi-polar form of the new world order. More specifically, the Trends Report forecasted a rise of new power centres, of rivalry and balancing behaviours (akin to the 19th century) and of the divide between democratic and autocratic states.

Professor Ikenberry also cited some who suggested that China would be the forefront of the new world order. He cited author, Martin Jack, who wrote the book *When China Rules the World*, as suggesting that China would rule the world as a non-liberal superpower in the near future, representing a different pathway from the one the US has offered. Other commentators have also been cited by Professor Ikenberry to suggest that China and Russia will be increasingly antagonistic to the US. These commentators, as Professor Ikenberry cited, believe that the memories of past grievances, such as the humiliation of Imperial China and the defeat suffered by Russia during the cold war, would influence future dealings with the US more than before, given their rise in bargaining power. Professor Ikenberry also cited other commentators as suggesting that energy and resource competition, such as the struggle over access to oil and influence in the Middle East and Africa, would further separate powers.

Professor Ikenberry's Opinions on Global Governance and International Relations

Professor Ikenberry is sceptical of these arguments. He described the current world system as being built around principles based on the context of the 1960s such as an openness to trade, cooperative stability, alliance partnership, democratic solidarity, American Hegemony, and being anchored to big institutions such as the NATO, WTO, Bretton Woods and the G7. This order was successful as it sustained economic and trade growth, brought Germany and Japan back into the world order, found a solution to the chronic clash between France and Germany, brought transition countries into the system and out of poverty, and ended the Cold War peacefully.

With this background, Professor Ikenberry argued that the current world order would be hard to change because the world enjoyed the longest period of power and peace in the current world order. Contrary to Jack's opinion, Professor Ikenberry believes that China would not be able to build a new order based on first principles with this history. Also, most countries have a vested interest in the global system through trade or finance. They are getting out of poverty through the system. He

reasons that countries would prefer to be in the system than out of it. Professor Ikenberry cited several instances of emerging countries wanting to be included in discussions that were formally reserved for bigger, developed countries such as Russia and China's entrance into the "G" groups that have expanded from G7 to G20.

President Obama and the Old World System Issues

Professor Ikenberry, however, believes that there are problems in the Old World System that need to be addressed. First, the rise of the US and uni-polarity after the Second World War has led to some level of unhappiness towards US's yield of power and its ability to erode state sovereignty to a certain extent. The US's reasons of humanitarian intervention and security issues often necessitate the use of spying and monitoring equipment on many countries. Second, the issue of weakness of states is larger than the strength of states. Rise of terrorism has led to the possibility of weak states being overthrown rather than strong states yielding their military might.

Professor Ikenberry thinks that President Obama has a pragmatic view about these issues. The current millennium faces a plethora of threats ranging from terrorism, global warming, civil wars and energy security. Thus, cooperation is vital and is what, as Professor Ikenberry termed, "security interdependence" is based on. This requires institutional capacity to be built to monitor and establish cooperation. Weak countries also need to be strengthened through security interdependence. Professor Ikenberry argued that security interdependence is very different from security independence. In this day and age, he believes, countries cannot be secure alone (security independence) but only collectively (security interdependence). How and what other countries do to maintain foreign relations affects your country. These, Professor Ikenberry believes, are the essences of President Obama's foreign policy.

President Obama and China

With regards to China, Professor Ikenberry believes President Obama's approach to be of "engagement" and "hedging" – a strategy to engage rising powers while preparing for possible hostile relations. Additionally, the global issues pertaining to US-China relations are very different as the bandwidth is now expanded other than issues of Taiwan.

Professor Ikenberry highlighted several assumptions the general media holds about China. These include the assumptions that:

- trade and investment would get China increasingly vested into the current world system;
- China can become a responsible stakeholder with the need to maintain its reputation with NGOs as well as to reassure them;
- China and the US have similar interests of open trade and investment, energy stability, and financial system linkages.

Professor Ikenberry ended his lecture stressing that the cost of failing to make bargains and rebuild institutions would grow with every year and decade passed. Evolution of such progress, he believes, is necessary and obtainable.

Questions and Answers

The Q&A session was moderated by Miss Premarani Somasundram, Principal Researcher, Centre for Governance and Leadership, Civil Service College

Question: *What is your view on China's power in ASEAN and the myriad of issues in ASEAN? What is the effect?*

Professor Ikenberry thinks that the US is very interested in engaging ASEAN. It wants to be part of the game of diplomacy and engagement in South East Asia. He also thinks that President Obama is interested in supporting ASEAN-supported leadership and building capacities at leadership levels. The hope is for the US to be part of these institutional groupings so that it would not be pushed out of the region by the more traditional groupings that are more East Asian centred. On the trade side, Professor Ikenberry observes that ASEAN and China are strengthening linkages. This creates global growth and diversification and, he believes, is very much welcomed in Washington.

Question: *A government's legitimacy depends on providing economic growth and employment. A lot of manufacturing jobs have shifted to China and Asia. China enjoys a lot of advantages in manufacturing with regimental accounting, health standards and low wages. They are able to produce products that are very cheap. How do we see an end to the migration of jobs to the China economy? How do you see the effect of technology on political systems such as Twitter, Facebook that would link people together?*

With reference to the question on the effect of technology, **Professor Ikenberry** believes that, generally speaking, the internet and communication technology favour and level society and the economy. He cited the example of how communications and technology enabled information to inform the people in Soviet Union and could have contributed to the subsequent break up. However, professor Ikenberry qualified his statement by emphasizing that authoritarian governments can be sophisticated in manipulating these technologies to their advantage as well. On the balance, he believes that technology will bring about huge impact on empowering societies although it might encourage terrorist groups in advancing their interests.

With reference to the question of the economic power of China, **Professor Ikenberry** observes that there is increasing social unrest in China with the poor working conditions and low wages. China might slowly lose some of its present wage advantages with these pressures rising. This will, however, be delayed by the long queue of people from rural provinces looking to be employed. China's exchange rate will also continually face pressures to revalue. This will also remove some of the present price advantages it holds. Professor Ikenberry believes that the only way to cope with China's economic might is to continue to engage and entangle China into the world system.

Question: *What are some shocks that might derail the stable "engagement" policies you mentioned?*

Professor Ikenberry listed a few shocks that he believes might derail the current policies of "engagement" in the US

1. The rise of a parochial, anti trade US president as well as radical nationalist groups
2. The collapse of North Korea which might trigger a debate on patrol agreements, aid and reconstruction, refugees' arrangement and politics between China and the US
3. Taiwan and its conflicted identity of separation with the unity of China
4. Economic and financial crises especially the collapse/default of highly indebted Euro countries.

5. Lastly, the chaos and upheaval of many interrelated crises such as climate change, terrorist attacks, financial crises and the confluence of them.

Question: *What in your opinion is the best system? Uni-polar, Bi-polar or Multi-polar? Should there be a plan for a more systematic change?*

Professor Ikenberry believes that the question of polarity and the judgement of various categories of polarity is a misleading question. Polarity, he said, is the distribution of power in a system, not a system itself. These terms do not explain the type of system. Professor Ikenberry believes that a multi-polar system can be a violent system as a unipolar counterpart can be a peaceful one. The question to ask, he thought, is not about distribution of power but rather of whether there can be a peaceful system with one superpower. This, he reiterates, would be difficult as other countries would worry about the misuse of power. A bipolar system, on the other hand, might result in a more competitive system and might result in a more balanced power system. Therefore the question of India's position in Asia might encourage a bipolar system with more stability.

Question: *China is getting more influential. Other countries are also getting more adjusted to China. How do you harness and manage the rising emerging powers?*

Professor Ikenberry thinks that the US does not want a multi-polar world. He believes that even though the US is willing to concede some privileges, through the use of G20 rather than G7, and give up some power for the good of national interests, they also want to get the emerging powers to pay certain costs of what they do.

Question: *Should the US just focus engagement on governmental level or a multi-level approach?*

Professor Ikenberry believes that US foreign engagement has to be multi-level. He considers that a good relationship between governments has a network of support communication (e.g. businesses, agencies etc.). The current China relationship does not have that as compared to relationships with Japan or other countries in the past.

Question: *Do you think the US needs some form of discipline to create institutions to manage the emerging issues of the current order?*

Professor Ikenberry deems Senator McCain lost the presidential election because the party he led had no discipline. He believes that leadership in the current world order, while uni-polar, requires cooperation and involvement with various other powers.