Why Asian nations should pause when America beckons

The Biden administration will continue to put forward initiatives, but the targets of its Asian courtship need to consider if these fit their interests and if the proposed deals can be relied on.

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For The Straits Times

The Biden administration is stepping up its engagement with Asia. Amid the whirl of activity, however, questions emerge and not just about the details to be negotiated. More fundamental is the way the United States stands as partners. On their part, Asian countries need to consider changes within the US itself, and better estimate how reliable new initiatives might prove.

The Biden agenda for Asia is moving into higher gear and on multiple fronts. In mid-May, the summit with ASEAN resumed after a hiatus during the Trump residency. At the end of the same month, President Joe Biden undertook his first visit to Asia. This was not simply to keep relations warm with long-time allies Japan and South Korea, or even Australia and India as partners in the Quadilateral Security Dialogue. New steps were taken. South Korea and Japan patched up their bilateral differences to triangulate alliances with the US. Mr Biden also launched the Indo-Pacific Economic Framework (IPEF). Washington’s latest undertaking that sets out to write “new rules” for the 21st century economy.

Some 14 leaders – including seven from ASEAN – came to Tokyo for its launch. But turning up is a basic in Asian diplomacy, especially when the US calls. It remains to be seen what fuller responses emerge.

For the IPEF specifically, there are more than trivial differences on the agreed standards, especially for the growing digital economy. Complaints have already emerged about the lack of additional access to the US market. Each Asian government will have to calculate its own interest. The IPEF will give those with ongoing and deeper ties with China pause.

SEEING THROUGH A CHINA PRISM

Bilateral relations with the US are often viewed not in terms of the country itself, but as a function of the Sino-American competition for influence. China’s Foreign Minister Wang Yi recently cautioned countries from being mere “chess pieces” in a great-power game. Beijing has strongly opposed the Biden initiatives, suggesting that the intention is to create a NATO-type alliance.

This is not entirely without basis. Consider the Russian invasion of Ukraine. This is a global issue, not a purely European conflict, with its impact on energy and food prices stoking inflation and straining supply chains. Few Asians would, in principle, excuse aggression and violation of sovereignty and territorial integrity.

But American interpretations of the conflict are more debatable. Biden administration officials make much of the statement of Sino-Russian friendship being “without limits” with eyes peeled for the smallest sign that any entity in China might lend assistance to Moscow. Overly reading this is Mr Biden’s narrative that this is a war between democracy and autocracy. Such an ideological slant may win applause in the West but risks falling on deaf ears in many Asian capitals.

AMERICAN DEMOCRACY UNDER SIEGE

American championing of democracy is also questionable when one takes a good hard look at events within the US itself. The Inquiry into the Jan 6, 2021 storming of Capitol Hill has shown a harsh light on President Donald Trump’s role in stoking the violence.Yet, support for him seems little diminished. Rather, it is President Biden’s approval ratings that continue to slide – lower than anything his predecessor suffered. Adding to this, spiking inflation is hurting the average citizen. Most predict the Democrats will lose at least the House of Representatives in the mid-term elections later this year, hobbling whatever legislative agenda the Biden administration might propose.

Concurrent, the US Supreme Court decision to overturn Roe v Wade has put the spotlight on another longstanding cleavage in American society. Just as I was leaving Washington DC on a recent trip, protests – and also parties – were being organised by the different camps. America today is suffering a deep and unbridgeable political cleavage akin to a civil war and not without guns.

None of this means that the US will fail imminently. There remain many areas where the country remains a world leader – in finance with the dollar, military capabilities and education, and in certain aspects of the digital and technology economies. But the current unsettling trend in American domestic politics is something that Asians will need to realistically consider in terms of stability and reliability.

INTERNATIONAL OR AMERICAN RULES

There is a clear need for rules and standards to govern new aspects of the economy, especially in the technology sector. There are opportunities for renewed growth and development after the pandemic. As the Biden administration reaches out with these new and different groupings as well as new rules, it is fair to acknowledge how the US played the key role in setting international rules after World War II and after the Cold War.

Those rules were accepted by many, including Singapore’s late founding prime minister Lee Kuan Yew, as ones that other states could play by and gain from. In that era, the US played the role of status quo power. After the Trump years, such views may seem naïve.

The mantra of “putting America first” still continues and rallies the forces that brought Mr Trump into office and may see a resurgence in the coming elections.

There is no clear constituency within the US to support market access specifically and free trade more broadly. No sign that the US might yet return to the Trans-Pacific Partnership – which the Obama administration began and drove forward, and which Japan and others have completed. There is, moreover, a new tendency for the US to use security and political reasons as exceptions to fair economic and market rules.

Consider the fate of Huawei and its exclusion from contracts and supply chains based on security concerns. Remember too the 2018 decision not to allow then Singapore-based Broadcom to buy the chipmaker Qualcomm – again on security grounds. An American return to engage Asia is welcome, indeed overdue. But in parallel, countries should find other ways to foster cooperation and new rules. Efforts can be centred on ASEAN, like the Regional Comprehensive Economic Partnership. Initiatives also can start small among two or three countries, as Singapore is doing with Chile and New Zealand on the digital economy and with Australia on a green economy agreement. Still other links can be fostered with groups like the European Union or even the Pacific Alliance in South America.

Depend on the US? Many Asians remain friends and allies and the Biden administration will continue to put forward its initiatives in earnest, deploying tools of persuasion and also pressure. Yet Asians must pause to consider what is proposed is one-sided and does not fit their interests and concerns, or seems inconsistent and potentially unreliable, and consider alternatives. When America calls, they listen. But there is no guarantee that answers from Asians will be positive.