



ASIA'S FIVE FUTURES

BY BRAD GLOSSERMAN

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President Donald Trump's petulant comments about the US-Japan alliance are a stark counterpoint to another, largely overlooked encounter at last month's G20 leaders meeting: the sit-down between Japanese Prime Minister Abe Shinzo and Chinese President Xi Jinping. While Japan-China relations are a study in unfulfilled potential, the rebound in that bilateral relationship provides a tantalizing glimpse of Asia's brightest future.

While shocking, most Japanese are not taking Trump's complaints at face value. His charge that Japan is free loading on the US security commitment and the assertion that the mutual security treaty is unfair because Tokyo is not obligated to come to the defense of the US if it is attacked reveal a failure to understand a security partnership that is critical to US regional interests, and an ignorance of history. Japanese Prime Minister Koizumi Junichiro was one of the first world leaders to declare support for the US after the Sept. 11, 2001 terror attacks. (Trump's remarks were particularly rude since Trump issued them while in Japan, and sounded especially ungrateful after Abe's hospitality during the president's May visit.) Experts acknowledge the comments reflect Trump's longstanding antagonism toward Japan, but they are viewed as attempts to gain leverage in bilateral trade negotiations and not as statements of US policy.

Against this backdrop, the Abe-Xi meeting the day before the G20 assumes greater significance. Japan-China relations have slowly improved since 2014, when the two countries reached a truce prior to the G20 leaders meeting that China hosted. Last month, Abe said bilateral relations with China had completely returned to a more normal course; he added that he wanted to work closely with Xi to create a new age for Japan-China ties. Xi said that relations between the two nations stood at "a new and historic starting line" and accepted Abe's invitation to visit Japan as a state guest next spring.

The juxtaposition of this spirit of cooperation with Trump's antagonism toward Japan (and foreign engagement in general) look to some like the seeds of a new regional order. That is possible but it is far too early to tell. It is an opportunity to examine what some of those futures might be. I see five broad possibilities.

Asia anointed. In this scenario, Asia not only continues to be the engine of the global economy but it becomes the leading pole in the global order. This is premised on the Japan-China rapprochement broadening and deepening to become a genuine partnership like that of France and Germany in Europe. (This scenario does not demand an EU-type institution; it does require the region's two leading states to develop a structurally positive relationship, rather than a tactical accommodation.) The North Korea nuclear problem is resolved, with help from China, and that country is integrated into the regional economy, which allows the entire Korean Peninsula to contribute to regional growth rather than serving as a net liability. China and Taiwan are reunited by mutual agreement. Northeast Asia's transformation unlocks new potential in Southeast Asia, both by changing the context in which local disputes are contested and by facilitating seamless connections throughout East Asia. The US probably becomes an offshore balancer, primarily because a forward presence is no longer needed.

At the other end of the spectrum is *angry Asia*, in which regional disputes fester and poison relations. The historical animosities that color relations between Tokyo and Beijing and Tokyo and Seoul calcify, and domestic troubles in each country generate the need for external scapegoats. Similar historical memories

re-emerge in Southeast Asia after assertive Japanese behavior antagonizes local audiences, China proves to be equally heavy-handed in its foreign policy, and ASEAN cannot forge a consensus or policies to check great power rivalry. All existing flashpoints – the South China Sea, the Taiwan Strait, and the Korean Peninsula – continue to sizzle. The regional economy slows, which intensifies anger and suspicions, and feeds populist and authoritarian impulses. Regional governments build up conventional arsenals and nuclear dominoes begin to fall. The US withdraws its security guarantees, unwilling to spend capital on “free-riding” allies and partners. Grievance guides regional relations and the absence of an institutional framework or shared norms and values makes it difficult to do more than the bare minimum to promote regional peace – and sometimes that is not enough to prevent conflict.

In an *anxious and atomized Asia*, Asia’s diversity is too much for its underdeveloped institutions to handle. Countries are consumed with internal problems and no nation is prepared to expend political or financial capital on the provision of public goods. Trust remains low and economic growth is stunted, a result of protectionist walls that were constructed in the aftermath of the Trump presidency. Outbreaks of infectious diseases also contribute to a slowdown if not reversal of regional integration. Southeast Asian nations are beset by environmental problems, including the effects of climate change, but they push nations apart rather than facilitate a search for cooperative responses. China is afflicted with a multitude of social problems; strains created by environmental problems are especially powerful. Japan and China remain wary of each other, the two Koreas are locked in an uneasy truce, and ASEAN cannot generate the energy or the initiative to assume regional leadership. The US is distracted and disengaged. A north-south divide emerges, as populations age in the developed countries of the north while there are growing populations of young people – many with diminished job prospects – in the south. This scenario seems transitional, and likely to resolve into another of the futures.

A fourth option is *Cold War redux* in which a bamboo curtain descends on the region, the result of intensified

US-China competition. Washington and Beijing battle for regional supremacy, and that struggle forces regional governments to take sides. While the two economies do not completely decouple, they do separate in critical areas. High-technology trade is significantly reduced, with the US rigorously enforcing export controls and the protection of intellectual property; China responds with aggressive indigenous production campaigns. The Great Firewall of China becomes larger and thicker, the Chinese internet detaches from the Western version, and China demands the localization of data. Ultimately, the struggle is between two models of governance: Western liberalism and Chinese authoritarianism. For this competition to have meaning, China must register significant economic growth – so that its model is attractive to other countries – and the US must remain engaged in the Asia-Pacific. Japan aligns with the US, as does Australia, but Thailand and the Philippines loosen ties with Washington. Taiwan continues to maintain a stubborn distance from the mainland and its ties with the US deepen as part of a strategy to weaken China. The Korean Peninsula also remains divided, which forces tough choices on Seoul. It retains its alliance with the US, but China looms ever larger in South Korean calculations: The South Korean economy is increasingly reliant on China and the road to Pyongyang runs through Beijing. ASEAN is ineffectual, continuing to insist on ASEAN centrality but it is deeply divided and unable to muster a consensus except on the simplest issues.

A fifth future is *abiding Asia*, a region that looks a lot like it does today. Asia continues to generate growth and remains a driver of the global economy. The primary feature of the region is a bounded competition between the US and China, but a narrowing gap between the two countries raises questions about leadership and regional governance. Japan is still a large power but one whose resources and international presence are shrinking. The Korean Peninsula is still divided, and North Korea retains its nuclear weapons, which pushes Seoul and Tokyo closer to Washington. The US remains committed to its alliances and has strengthened them after the uncertainties of the Trump presidency. There is still no alternative regional security architecture, although ASEAN continues to insist on its centrality of its institutions in the regional

order. Mounting environmental challenges foster greater regional cooperation but practical steps remain beyond reach.

These are broad-brush pictures with variations that combine features of each scenario. Which Asia will emerge is anyone's guess. Much will depend on future choices and a fair dollop of chance. Wild cards could be dealt as well: a massive earthquake that takes Japan offline; a climate catastrophe that transforms shorelines (and the lives of the hundreds of millions of people who live near them); the collapse of the CCP government in Beijing; a nuclear detonation in the region...

Unknowable must not mean unanticipated, however. More work needs to be done to identify key variables shaping Asia's future and how they interact, as well as the assumptions that guide thinking about desirable outcomes. Developments in Northeast Asia appear to have the greatest influence on the evolution of the region more broadly. Last month's meeting between Abe and Xi, and Trump's remarks about the US alliance with Japan are a reminder of the need to begin that work now.

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