The webinar focused on the critical juncture of Asian geopolitics amidst wider decoupling of Sino-US relations exploring it through the lens of an emergent Sino-Centric Asia, and the restoration of US primacy. Additionally, the Speaker also discussed their possible implications for India. The speaker noted that we are at an inflection point in Asia, with discontinuities and structural changes taking place, challenging the idea of globalisation. He then presented five broad structural issues that contributed to this dynamic within the region.

i. Nature of globalisation and its potential for decoupling:

The speaker underscores the importance of US-China economic relationship over politics to understand recent developments in Asian geopolitics by tracing the long history of tenacious economic relations between the US and China. He questions if this long history of durability since the 1970s has reached its peak and has begun to disintegrate. He notes that this integration through normalisation has been the basis for the eventual Asian economic integration with the US despite the latter having commercial relations with other liberal East Asian Economies. Also, the four-decade relationship has contributed to the formulation of “Red Capitalism” that not only brought growth for the Chinese economy but also provided a boost towards global capitalism, transforming
the nation into a global manufacturer. However, the current economic pitfalls and increased centralisation have complemented the Chinese export-oriented strategy with an assertive emphasis on internal circulation theory which focuses on the need to rely on itself amidst economic warfare launched by the US, noting that shifting domestic politics in both countries will shape the economic relationship between them.

**ii. Shifting domestic coalitions:**

Moving on to developments within the US, the speaker points out that the country’s capital markets benefited with this relationship, however, it affected the labour markets. Supporting the previous argument, he notes that these factors have contributed to the shift in the current domestic political climate (playing a vital role in the future bilateral relations), pointing out the return of socialism and the increased role of the state. The speaker then points out that China is now a part of the larger debate amidst the US pushback on globalisation. Further, he indicates the attractiveness of the Chinese market for various US financial, technological and cultural institutions despite the hostility of the US Congress towards China, making the progressives’ stance of decoupling of the markets challenging, resulting in commitment limited to humanitarian issues. Nevertheless, despite global issues being a justification for continued engagement with China in the US, there will be continuous tensions and "protracted contestations" between them in the economic domain.

**iii. Pressures on US alliance system within Asia:**

The speaker then observes the role of China’s military engagement with the US post-1945, arguing that unlike India, China had a periodic direct contestation with the American military in the various Chinese contestations with its East Asian neighbours for seven decades. Additionally, he pointed their unique approach towards American military presence in the past, unlike India, and their oscillating ideological alignments in the 1970s-80s due to US presence acting as a cap on Japanese ambitions. China acquiesced the American presence despite its growing economic might in the post-1990s. However, according to speaker, the big debate in Asia is whether American alliance is sustainable in the face of China's growing military power. In this regard, he raises the following questions:
• Does the traditional American alliance of the Soviet era have the capacity to tackle China, given the complex economic interdependence between the two nations? Can this framework survive China’s rise?
• How does the seven-decade American military presence in the region stack up against growing Chinese military power?
• What are the political consequences to the traditional alliances of the US?

Nevertheless, the speaker declares that the current situation is a series of strategic alignments and realignments amid profound pressure from both nations.

iv. **Pressures on regional institutions of Asia:**

On the question of regionality within Asian geopolitics and pressures on regional institutions within Asia such as ASEAN, the speaker noted that the centrality of ASEAN is a consequence of the geopolitical vacuum in the 1960s-70s caused due to the political hurdles faced by Asian giants such as Japan, China, and India. However, the big question is if it can survive against the growing Chinese power attempting to shift the centrality. The grouping faced a new challenge in the form of a rising power in its backyard. Moreover, with the advent of China-led institutions such as BRI and AIIB, ASEAN centrality has been overshadowed by China's extraordinary economic and military clout as well as political influence in East Asia. It could lead to three different possibilities:

1. China-centric regional order, which despite multipolarity has been progressing owing to China’s role in global economics.
2. Fragmented multipolarity based regional order – Continental Asian region aligning with China and the maritime nations leaning towards the US.

v. **Role of Nationalism:**
Finally, the speaker noted that faced with Chinese power and its centrality in the region, tensions between a rising hegemon and Asian nationalism will continue. Consequently, there is a trend of fragmentation of national elites where he pointed out the wide divide between among them towards accommodating or resisting the Chinese power. Furthermore, he deliberates that the rising nationalism mobilised among other Asian nations potentially creates a hindrance to the expansionist ideas of Chinese power, suggesting that the US may adequately make use of the movement for its advantage.

Given the larger underpinnings, he recommended India should reflect on its past shortcomings in the region and pursue a realist approach over idealised romanticism of ‘Asian solidarity’. Moreover, while agreeing that India's relative power has increased, he noted the questionable deployment effectively to create an alternative order. The speaker emphasized on the need to "make cold & calculated judgements about shifting power equations in the region and what they mean for the region as a whole & India".

The discussion that ensued focused on the questions raised on India’s denouncement of Regional Comprehensive Economic Partnership (RCEP) agreement. The speaker, while acknowledging the political psyche of the decision, noted the larger idea of India entering a new phase, whose political decisions are based on the reversal of assumptions made in the 1990s. The Chair, then questioned the speaker, on the idea of a halcyon period between China and the US. Additionally, she questioned the trend of rising elite fragmentation and nationalism despite both contradicting each other. While agreeing on the continuous political contradictions in the bilateral relations, the speaker clarified that the economic relations between US and China are deeply integrated with vested interests for various institutions of the US. Other questions included Russian interests and the role of technological institutions within the overall discourse. The speaker addressed these issues noting a broader context on rising nationalist movements, increasing Chinese digital presence globally and finally, providing pointers on Indian position within the maritime issues of Asian geopolitics.

This report was prepared by Hariharan Chandrashekaran, Research Intern, Institute of Chinese Studies.
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This report is a summary produced for purposes of dissemination and for generating wider discussion. All views expressed here should be understood to be those of the speaker(s) and individual participants, and not necessarily of the Institute of Chinese Studies.