

The AEJ held a lunchtime meeting at Regent's University London on March 9, 2020 with Professor Jeff Kingston, writer, columnist and Director of Asian Studies at Temple University, Tokyo.

By Peter Norman

The AEJ's long-planned meeting with Asia expert Professor Jeff Kingston to discuss *Asia's China challenge: Whither the Pacific Century?* took place as the Covid-19 coronavirus continued to spread through western Europe and the UK and panic selling gripped global financial markets.

So it was fitting that Prof Kingston began by addressing Covid-19's impact on China, where the virus first broke out towards the end of 2019, before looking more broadly at developments and prospects in Asia where an "arc of anxiety" fuelled largely by Beijing's growing economic influence, military build-up and nationalistic ambitions stretches from New Delhi to Canberra and Jakarta and Tokyo.

Tokyo-based Prof Kingston told a mixed gathering of AEJ members, guest journalists and Regent's University staff and students that China was taking an economic hit from the virus roughly equivalent to the impact of the 2008 global financial crisis. "But the big difference between 2008 and 2020 is that then China realised it was vulnerable to external shocks, whereas now the rest of the world realises how vulnerable *it* is to China shocks."

Jeff Kingston expected China would "bounce back economically" from the coronavirus disruption, probably in about a year. But what would be the consequences for President Xi Jinping, who took personal charge of the government's response to the epidemic early in January?

He said it was "clearly not good" for President Xi in Wuhan, where the virus started. A call by the local Communist party boss for "gratitude training" to make the public show thanks to Mr Xi for his handling of the crisis had provoked a massive storm of protest on Chinese social media. That said, Prof Kingston expected Mr Xi to hang on to power, not least because his political position is "very strong" and many Chinese remained wary of the merits of western-style democracy in the light of the social and political discord in the West's more open societies. Similarly, he did not expect the coronavirus to have a major geopolitical impact in the long run.

China's hegemonic ambitions in Asia remain the big challenge in the region. Summing up the mood in Asia, Prof Kingston noted how: "People don't feel China's rise and hegemonic ambitions will work out well. But China has momentum on its side". Crucially, other Asian nations are heavily dependent on China economically, including Japan, which has its own sources of weakness.

Part of the problem lies in the different national interests and fragmented response of China's neighbours. Prof Kingston recalled how a 2007 plan of Japanese prime minister Shinzo Abe, during his first short term in office, to create an "Arc of Freedom and Prosperity" based on shared values among China's neighbours in the Asia-Pacific region had met an unenthusiastic response. Since then, Mr Abe has pushed through a revision of Japan's defence policy guidelines to allow more explicit Japanese support of the US military worldwide, only to be constrained by hostile public opinion at home. With three quarters of Japanese opposed to Donald Trump, his presidency has weakened Japanese trust in the alliance with the US. In Japan, Trump is the least popular US president since polling began.

Prof Kingston asked whether there is a risk of a "Thucydides Trap" conflict between the rising power of China and a US in decline. The big question, he said, was whether the US would concede more than it wants to China, and whether what it concedes would be enough to satisfy Beijing. On balance, he thought there could be a deal between the two powers, even though President Xi could be trapped by his rhetoric. In these circumstances, "someone would have to provide a ladder for Xi to climb down".

Despite recent territorial disputes and military tensions between China and its neighbours in the East and South China Seas, Prof Kingston did not expect China to become more militarily adventurous. It is not yet in a position to take on the US Navy, and in Taiwan the population had shown no appetite for ceding any of its independence to China. China, he noted, had not fought a war since 1979 when Vietnam gave it a bloody nose. In the intervening peace, the surrounding countries had focussed on their economic relations with China, placing them in a state of uncomfortable interdependence which limited their options for action. China's neighbours liked its spending on infrastructure while the drying up of tourism through the coronavirus had highlighted their reliance on Chinese tourism and trade. While China's neighbours feared its power and worried about Beijing's intentions, they needed China economically.

One consequence of this uneasy situation was a regional arms race, with China's neighbours boosting their military assets from low levels. But rather than coalesce against any threat from Beijing, China's neighbours had chosen national responses to China's rise. Meanwhile, Beijing has adroitly encouraged a lack of unity in ASEAN, the group of South East Asian nations, preventing it from becoming a more influential force in the region. Indeed, some

neighbours approved of China's "no questions asked" approach to investment and its authoritarian hostility to human rights.

While China faces problems, ranging from the effects of the corona virus on its economy and society to the wave of pro-democracy protests in Hong Kong and the backlash in some countries to its Belt and Road initiative, all is not well either with Japan, the other significant power in the region.

So far prime minister Abe has handled the coronavirus crisis poorly – he has been effectively "missing in action" over the past month. His policies – including his much-vaunted proposals to revise Japan's post-war "peace constitution"--- are still unpopular, and his administration is prone to scandal. On the other hand, Abe is lucky in having no obvious successor and a divided opposition. In Prof Kingston's words, he is "blessed with mediocre rivals".

As China's largest trading partner, Japan stands to suffer greatly from the coronavirus although the degree of economic damage will depend on how quickly China itself gets over the crisis. Prof Kingston noted how, even before the crisis, President Xi and prime minister Abe had dialled down tensions between the two countries in recognition of their economic interdependence. The virus will badly hit Japan's revenues from tourism: the government originally targeted 40 million tourists visiting the country this year, some 20 times more than 25 years ago. In the longer term, Japan has to contend with a rapidly ageing population and shrinking domestic market.

So, Prof Kingston was asked, can we expect China to dominate the world and if so when? In reply, he said he did not expect China to achieve or even to seek world domination in this century. China would be the regional hegemon, with a strong focus on obtaining the resources needed to keep its economy moving ahead. He also expected China's one-party system to remain in power for the foreseeable future.

At the end of a lively Q&A session, he was asked: Whither the Pacific Century?

Asia, Prof Kingston said, would "zig-zag upwards" with progress punctuated by setbacks. "Asia will be the fulcrum of the world economy. But I don't think it will go for geopolitical dominance", he concluded.

Ends

