

# **International Conference**

## **On**

### **U.S Rebalance and Asia Pacific Region**

**6<sup>th</sup> -7<sup>th</sup> March 2015**

**CPPR-Centre for Strategic Studies in Association with US  
Consulate, Chennai**

The two-day International Conference on “**U.S Rebalance and Asia Pacific Region**”, was conceptualized and organised by the Centre for Strategic Studies, Centre Public Policy Research, Kochi with the support of the US Consulate-General Chennai Region. The conference deliberated upon the U.S “Rebalancing” its strategy in the Asia-Pacific and its potential implications. This conference was conducted with a need to focus upon how U.S would play a pivotal role in a continent where the history of 21<sup>st</sup> century would be scripted. The Conference was attended by eminent experts in the field of security, strategic studies, trade & commerce, and by academicians.

#### **Speakers for the Conference include:**

**Mr. M.K. Narayanan**, Former Governor of West Bengal and Former National Security Advisor.

**U.S. Consul General Phillip Min**, U.S. Consulate General, Chennai .

**Mr. Murray Hiebert** ,Senior Fellow and Deputy Director, Sumitro Chair for Southeast Asian Studies Center for Strategic and International Studies, Washington DC.

**Dr. G. Gopa Kumar**, Vice Chancellor, Central University of Kerala, Kasargod.

**Mr. Aneish P. Rajan** , IRS Deputy Director, Directorate General of Central Excise Intelligence and Founder Trustee - Centre for Public Policy Research.

**Ms. Ingrid Henick**, Vice President The Cohen Group, Washington DC

**Prof. V. Suryanarayan**, Nelson Mandela Professor - for Afro-Asian Studies, Mahatma Gandhi University, Kottayam, Kerala.

**Prof. K.M.Seethi**, Director, School of International Relations and Politics, Mahatma Gandhi University, Kottayam, Kerala.

**Prof.ChintamaniMahapatra**, Centre for Canadian, US & Latin American Studies at the School of International Studies of Jawaharlal Nehru University, New Delhi.

**Dr. Lawrence Prabhakar Williams**, International Relations and Strategic Studies, Dept of Political Science, Madras Christian College, Chennai.

**Dr. Arvind Kumar** ,Professor and Head of Department Geopolitics and International Relations, Manipal Centre for Asian Studies, Manipal University.

**.Dr. Joe Thomas Karackattu**, Department of Humanities and Social Sciences, Indian Institute of Technology ,Madras.

**Prof. Rajeev Srinivasan**, Member National Think Tank on Intellectual Property Rights, Government of India.

**Dr. Rajesh Rajagopalan**, Professor, Centre for International Politics, Organization and Disarmament, School of International Studies, Jawaharlal Nehru University, New Delhi.

**Dr. Jabin.T.Jacob**, Assistant Director and Fellow Institute of Chinese Studies (ICS), New Delhi.

**Dr. Pramod C.R.**, Department of Political Science, Sree Kerala. Varma College, Thrissur, Kerala

**Dr. Antony Dawson D'silva**, Dept. of Political Science, Panampilly Memorial Government College, Thrissur and Academic Coordinator – Centre for Public Policy Research

### ***The Proceedings of the Conference:***

- ❖ The speakers stated that the U.S strategy of Rebalance to Asia- Pacific is in recognition of the region being a major economic centre of gravity in the 21<sup>st</sup> century.
- ❖ The goals of the Rebalancing was primarily to bolster ties with the emerging powers in Asia, strengthen alliances with the trusted allies- Japan, South Korea, Australia, Thailand, Philippines, empowering multi-lateral regional institutions, besides securing economic engagement in the region.
- ❖ There is a need to revisit the dependency and interdependency of countries amidst the deeply integrated international system and supply chain networks in this changing world order. Due to its expansion of interests U.S is a dependent country in the world. The future and sustenance of the U.S economy is dependent on Asia to a large extent, thus re-aligning the relationships with the countries of Asia-Pacific would be decisive. U.S is also expected to play a long term role in the region in the backdrop of its military withdrawal from Iraq and Afghanistan.

The conference delved into the following themes:

### **The Contexts and Geo Politics of the U.S Rebalance in Asia**

- ❖ The rebalance is symbolic of the re-incarnation of balance of power, with regional cold wars unfolding in the Eurasia. The conflicting signals of the U.S in the maritime and territorial disputes in the region between China and East Asian countries was highlighted as a source of grave concern in the deliberations.
- ❖ The Asia-Pacific is vulnerable, as it grapples with a series of internal challenges. The geo-political implications of the strategy would be crucial as it is bound to play a larger role upon the regional peace and security in the region. Rebalance only partially works without China. Integration was identified as imperative in this strategy.
- ❖ The need for U.S to rebalance its “rebalancing” strategy than overly focusing on China is important. The U.S ought to re-orient its strategies for a constructive engagement with China. The exclusion of China- the largest economy of Asia from TPP, would only indicate a containment strategy.

- ❖ The Rebalancing strategy would have double impacts. It can hasten the process of creating an Asia of “economic integration” and “political conflicts”. If the Rebalance favours economic integration the gains could be positive. If it, gets embroiled in the conflicts, the strategy would end up being a lost case with bleak prospects.

### Trade And Commerce- A Rebalancing Tool In Asia-Pacific

- ❖ The policy of rebalancing envisages the creation of an economic architecture that would enable mutual dividends to Asia-Pacific and U.S in terms of trade and growth to sustain as shared prosperity. It would be hard for U.S to contain the rise of China as an economic engine, thus the “Rebalancing” must rebalance itself in the economic aspects to include China.
- ❖ Regional multi-lateral institutions such as APEC, ASEAN, TPP can constructively be inclusive to boost the benefits of trade. A U.S-India-Japan tri-lateral would be fruitful in this regard.
- ❖ The speakers pointed that the interpretation of the Rebalancing as a response to the military expansion of China persists. Yet, the U.S shift from constraint to rebalance in Asia depicts its determination to integrate China into the global rules based system.
- ❖ The need for a concerted effort from the governments, scientists, academicians, social institutions and business houses in enhancing cooperation onto many frontiers for a better realization of the goals of Rebalancing was highlighted.

### China's Strategic Rise: Regional Hegemony Or Peaceful Rise?

- ❖ The speakers opined of the desire of China to be recognized as a superpower globally. The Chinese are seeking political and moral superiority over the U.S. They embark on a policy of revivalism in the economic, political, and military avenues. A convergence of hard and soft power credentials was found to be imminent in this regard. China's new Silk Roads policy (2013) includes -the Silk Road Economic Belt connecting China with Europe through Central Asia and the 21<sup>st</sup> century Maritime Silk Road Initiative connecting China to Southeast Asia, South Asia and Africa. It is symbolic of trans-

continental cultural exchanges, people-to-people ties, besides infrastructural and physical connectivity.

- ❖ The debates on the strategic rise of China- “regional hegemony” or “peaceful rise” and its structural consequences upon the region would be pivotal. Chinese would not for the time being adopted an overtly aggressive strategy as it is embroiled in many internal challenges as well. The internal strength from ideological, technological, market and institutional innovations were adjudged to be the factors which assisted in the rise of China.
- ❖ The session emphasized that China’s rise is “exceptional” as it pursued a novel path of coalescing military and commercial power with a focus on national unification. Thus, without developing military bases or seeking military alliances China was able to gain leverage in the region. The Silk Route is a best example of economic initiatives taking precedence over military dominance. Scholars also added that, the interventionist nature in the maritime sphere in the region does negatively affect its non-alignment policy.

#### **Trans-Pacific Partnership (TPP) and Asia Pacific**

- ❖ U.S and China ought to rebalance its economic engagement paving the way for new permutations of trade and investment linkages. The Trans Pacific Partnership should expand itself beyond that of a strategic proposition.
- ❖ India attempts to secure strategic autonomy in its engagement vis-à-vis China and U.S. A convergence of India’s Act East policy and the U.S rebalancing would be pertinent. But India needs to participate proactively in the global value chain network to sustain its growth trajectory and enhance its trade facilitation measures to reap the benefits of economic partnerships in Asia-Pacific. It could work in unison with U.S for a framework on TPP, besides enhancing its standards as well. Though India fatigue seems to bother investors globally, it would be improper to generalise India, as commendable efforts of different states in India to boost the business climate cannot be ignored. Deliberations on India acceding to the TPP without restructuring its economy invited skepticism as well as encouragement.

- ❖ India also ought to engage itself more constructively in the economic partnership. The administrative bottlenecks in India were enumerated by the speakers. India is in the 142<sup>nd</sup> position globally with regards to the ease in doing business. Indian trade costs 13% of GDP and the logistics costs are highest comparatively. The Indian power sector mandates clearances from 56 authorities, at the central, state, and municipal levels. Thus it must re-align its economic edifices for benefitting from the economic Rebalancing to sustain the momentum of its economy as well.
- ❖ Though there are competing and contradictory priorities for China and India in the region, diversification of economic relations can serve as means to mend the cold ties between the growing economies in the sub-continent. The Chinese model of market socialism is worthy emulation for countries like India in the economic domain. However this transition failed to take on to its next level in terms of political relations.