

# The tragedy of middle power politics

Amid trust deficit, Asean should get its act together and take lead as US-Sino rivalry plays out in the region

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*By Angeline Tan*



Since China's ascension to the World Trade Organisation in 2001, its meteoric economic rise has been observed with caution. The narrative that China will soon overtake the American economy emerged quickly. In less than a decade, China overtook Japan as the second largest economy, demonstrating its economic heavyweight and imminent rise.

Despite the flashpoints in the Taiwan Strait and South China Sea, there was less emphasis on politics and security. Instead, major powers were focused on the rising competitiveness of Chinese industries and the threat this might pose to American and European businesses.

While China's economic presence was hard to ignore, liberalists were optimistic that its increased participation in the international liberal order would shape its behaviour. This outlook was further complemented by Beijing's attempt to enhance its soft power while following the "keeping a low profile" dictum. Beijing's emphasis on a "peaceful rise" sought to diminish suspicions that China will disrupt the international order.

This offered the first glimpse of a "China threat", one that was defined primarily on an economic basis. This threat perception began to shift through successive US administrations, which has since changed the dynamic of major-power relations towards competition and rivalry that define international politics today, echoing John Mearsheimer's thesis of the tragedy of great power politics.

### **Americans' evolving China policy**

The Obama administration approached Beijing with a strategy of engagement, expanding beyond bilateral trade and cross-strait relations towards a broader range of issues, such as climate change, denuclearisation, anti-terrorism and more.

While cooperation did deepen, distrust and misperceptions continued to linger. For instance, Beijing interpreted Barack Obama's "pivot to Asia" as a China containment strategy, which led to criticism and more assertive behaviour by the Chinese.

Donald Trump's arrival in the Oval Office marked a sharp turning point in US-China relations with the abandonment of engagement in favour of competition. The Trump administration started a trade war, slapping China with high tariffs in an attempt to address the trade deficit.

Washington also accused Beijing of being a currency manipulator and raised concerns about intellectual property theft. Trump's perspective of China seems to be coloured by the narrative that China poses a challenge to the United States' pre-eminence. His "America First" policy effectively otherised China as the adversary and most urgent threat, deepening distrust in bilateral relations.

After four years of animosity, the election of President Joe Biden brought optimism for a reset in US-China relations. However, this was met with disappointment as Washington continued with a hard-line stance towards Beijing.

Despite an increasingly polarised US, the one issue that both sides of the aisle could agree on was the China threat, which is no longer only economic but national security as well. This includes cybersecurity, disinformation campaigns, military advancements and others, while greater attention is also now being paid to strategic issues, such as the Taiwan Strait or South China Sea.

The Americans believe that the China today is starkly different from 20 years ago and see the rise of President Xi Jinping as the key turning point. Xi's China has foregone traces of Deng Xiaoping Thought that made a liberalist approach once seem viable. With the erosion of collective leadership and term limits, the US perceived China as increasingly authoritarian. Thus, intent on achieving regional hegemony, the US and China are locked into a competition that is driven by misperceptions and distrust.

### **Southeast Asia at frontline**

As major-power rivalry intensifies, pressures are imposed on Southeast Asia. Despite both Washington and Beijing assuring that they will not ask states to choose sides, the reality is that Asean member states may have to. Decoupling and de-risking may be the lingo in Washington and across the European Union, but that is unthinkable for Southeast Asia whose economies are deeply intertwined with China.

Non-alignment is also increasingly a weak option. Small and middle powers cannot face the pressures alone while Asean has proven a lack of cohesiveness to provide a viable third way. Even if Asean member states continue to resist choosing sides, they will not be able to insulate themselves from the implications of major-power competition.

Despite mounting disagreements, there is one issue that all sides firmly agree on – the only way forward



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is a warming of US-China relations. Beijing and Washington need to maintain lines of communication and enhance dialogue. Hinged by distrust, progress has been slow at the bilateral level.

Third parties should encourage both Washington and Beijing to participate more actively in multilateral fora, such as the East Asian Summit, which both presidents skipped last year. First, multilateral dialogue will pressure both Washington and Beijing to factor the interests and concerns of third parties – beyond the usual lip-service to Asean Centrality – into their strategic calculations.

Second, multilateral dialogue also calls for greater commitment and accountability from the two powers. Third, this provides reassurance to third parties that geopolitical tensions will be managed carefully in the interest of regional stability, rather than strategic gain.

### **Asean in driving seat**

Asean should also consider forming Asean Plus Two to include Washington and Beijing. Intensifying major-power competition has posed a serious challenge to existing regional architectures, such as Asean's cohesion or sense of community.

Following the models of Asean Plus Three and Plus Six, a Plus Two mechanism would provide the opportunity for regional community building with Asean in the driving seat.

If the US and China are intent on bringing their competition into the region, the rules must be defined by Asean's terms rather than the great powers. It is imperative that Asean reclaims its narrative and heard on its own merit.

Hosting a Plus Two dialogue will provide the

opportunity for Asean to demonstrate regional leadership while playing an active role in mediating misunderstandings and mitigating conflict.

However, for a Plus Two mechanism to work, it is imperative that Asean improves its cohesiveness. Ironically, the biggest challenge to the proposal is not intensifying major-power rivalry, but intra-regional politics.

The problem of distrust is not unique to the major powers, but is increasingly felt between small and medium powers as well. While friendly competition has always been encouraged within Asean, the current climate has incentivised small and medium powers to think more strategically and inwardly. Failing to work together at this critical juncture would not only weaken the strategic advantage of individual Asean member states, it also risks rendering the bloc obsolete.

When it comes to major-power rivalry, solutions are never simple or straightforward. While small and middle powers often face the brunt of these pressures, it is a fallacy to believe that they are incapable or lack the agency to respond.

Asean was formed against the geopolitical pressures of the Cold War and since then has played a leading role in shaping regional architectures. Asean member states would do well to remember this history and honour this legacy by mustering the political will, as a united bloc, to uphold regional stability.



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