

China — Southeast Asia

By Tyler Marshall

Chinese influence in Southeast Asia could easily displace American clout as much by default as by design

THE maps spread across the desk of senior Thai trade official Pisanu Rienmahasarn show an important piece of Southeast Asia's future: a highway that, when it opens next year, will run more than 1,000 miles from Kunming in southwestern China, through Laos, to the ports of southern Thailand and beyond.

The road is part of a network that will bind China closer to Southeast Asia, reviving an age-old trade route and building a sense of common regional destiny. It's a sign of the times that Pisanu, who was educated at Duke University and speaks perfect English, now spends more time speaking Chinese.

Amid the din of war in the Middle East, genocide in Darfur and anti-American rhetoric almost everywhere, it's easy not to hear the strange noise coming out of Southeast Asia. But listen: It's the sound of China quietly nibbling at America's lunch in a region that once saw the power of the United States unchallenged.

Since America's last war in Asia ended with the fall of Saigon in 1975, the US has presided over the region's security with the help of Cold War-era treaties with five countries — Japan, South Korea, Thailand, the Philippines and Australia. Today, five of America's top 10 trading partners are in Asia, and US military dominance is clear. Although China's modernisation is not a

zero-sum game — American companies and consumers gain enormously from its efficiencies — Beijing's economic clout is clearly growing, and with it, political influence. So far, Beijing has asked little of its neighbours. But the \$64,000 question is this: What will China want of the region once it completes its economic transformation, consolidates its power and feels confident to ask for more?

The changes underway here are mostly below the radar. They aren't the stuff of headlines, and they don't come with bombs or rocket-propelled grenades. But they're remolding the region's political landscape in ways that Americans ignore at their peril. At \$130 billion, China's trade with Southeast Asia last year was less than America's \$148 billion — but not for long. Last year, Chinese trade jumped 20 percent — over twice the US rate — and few expect that pace to taper off anytime soon.

In this region, economics is an inseparable component of geopolitics. And across Asia, opinion polls consistently find China with a better image than the US. Even in Australia, one of America's truest allies anywhere, a survey last year by the respected Lowy Institute found twice as many Australians considered US policies to be a potential threat as thought the rise of China posed dangers. Officially, no Asian capital is being asked to choose between Washington and Beijing. And with both powers stretched to their limit — China by its explosive growth, the US by its all-encompassing war on terror — neither is interested in confrontation. Still, Chinese influence could easily displace American clout as

much by default as by design.

Thailand's bonds with China are a good example. It's not exactly Anschluss, but Thailand's exports to China jumped by a third last year, and fast-warming political links assure Beijing a place in Bangkok's future far greater than most in Washington realise. Sure, the US remains both Thailand's biggest export market and a bona fide treaty ally, but the Sino-Thai links are growing as fast as the proliferating Chinese

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tour groups that crowd through the Thai Royal Palace grounds each day.

The picture is similar in the Philippines, another US treaty ally. A new museum celebrating Chinese-Filipino heritage recently opened in central Manila. Philippine exports to China are growing at an annual clip of 50% to 60%, and a series of economic, political and cultural agreements will guarantee China a bigger role in a

Asia's new best friend

Asia

nation struggling to keep itself afloat in an increasingly competitive global economy.

In Australia, trade with Beijing has so boosted the economy that pundits dubbed last year's tax reduction "the China tax cut." The boom includes a major deal struck last April to deliver uranium to China's nuclear power plants and a \$25-billion contract to sell Beijing liquid natural gas.

In South Korea, China has already displaced the US as the largest single trading partner, and

when from behind its bamboo curtain, China bankrolled leftist groups to foment revolution in the capitalist Asian nations. Now, no Thai official lies awake at night fearing — as some Pentagon rhetoric still implies — that the People's Liberation Army will one day rumb^{le} down the Kunming-Bangkok highway to lay waste to their nation.

But the real measure of Beijing's diplomatic charm offensive is the blossoming of pride and confidence within overseas Chinese communities. The estimated 30 million ethnic Chinese in Southeast Asia have suffered discrimination and episodic violence, and so they have historically laid low. Now they celebrate their heritage and are frequently found at the centre of today's booming trade with China. "Having Chinese blood," as the Thais call it, provides the cache of, say, a Bostonian running for mayor on his Irish heritage: It's not everything, but it sure helps.

Beijing likes to play up the connection. Flaunting their ethnic Chinese roots, Thai Prime Minister Thaksin Shinawatra and former Philippine President Corizon Aquino have made pilgrimages to their ancestral homes during official visits to China. In Thailand, 60 percent to 80 percent of the members of parliament are believed to have at least some Chinese blood — as do the last three prime ministers.

And where is the US in all this? At the highest levels, distracted. In the last year, Secretary of State Condoleezza Rice delayed by three months a planned trip to Australia, missed the opening day of an Asia-Pacific Economic Cooperation forum in South Korea and skipped the region's annual gathering of foreign ministers in Laos.

State Department officials stress that Rice and her deputy, Robert B Zoellick, have made a combined eight trips to Asia, but in diplomacy, where showing up is half the job, it's the meetings she's missed that people here remember. Worse, the sentiment expressed in South Korea, Thailand, the Philippines and Australia this spring was remarkably constant: America cares about its issues, not about ours. The Bush administration's poor image is an added drag on American ambitions. In May alone, the headlines included: "UN: US Should Close Guantanamo Facility" (Philippine Star); "Baghdad Bombings Kill 18" (Bangkok Post); "Dozens of [Afghan] Civilians Feared Killed in US Strike" (Canberra Times).

Meanwhile, China doesn't mention human rights and demands little more than stability, open trade and support for its claim to Taiwan. History has taught us that once powerful countries feel secure and confident, they often become emboldened and seek to change the rules of the international order in their favour. If China emerges from its historic transition as Asia's premier economic and political player, it will certainly want to use its added political leverage to further its interests. Might it, for example, pursue more aggressively its claims to disputed islands in the South and East China Seas?

If those interests conflict with ours, an America with diminished influence could find its options severely limited. COURTESY LA TIMES

The writer, a former Times foreign correspondent, visited Asia in May on a grant from the Pulitzer Centre on Crisis Reporting

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politically, Seoul is more comfortable with
Beijing's more measured approach to defusing the
North Korean nuclear crisis than with the Bush
administration's tougher line.

Beijing's diplomatic message to Asia is funda-
mentally reassuring: Let's get rich together.
China's modernisation can only succeed if its
neighbours also grow prosperous. That's a far cry
from the ideological clashes of a generation ago,

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