

Taking off far easier than taking over

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MUCH recent debate on whether there is a global power shift from the West to the East takes the conclusion for granted. But though writing off the United States as a spent force may appeal to some, it is not an objective assessment. In the words attributed to China's first premier Zhou Enlai when he was asked about the impact of the French Revolution, it may be "too early to tell" if the US is declining.

We should recall that not so long ago, it was Japan that was believed to herald the West's eclipse. Since then, and until recently, Japan has been in a near permanent recession. Assumptions about the future are often wrong, especially when dealing with long time horizons.

When it comes to China, a synthesis of the available literature about its development reveals a series of inane platitudes and wishful thinking, as well as apocalyp-

tic doom-mongering.

On the one hand, China is held to have saved us from the world economic crisis. On the other, it is perceived as a major threat to the West.

China, we are advised, is taking off, but still faces numerous challenges – environmental, social, economic, demographic and political. So despite tremendous progress, China is nowhere near ready to replace the US as global leader. Much remains to be done and it may never get there.

Others assume that if China is to succeed, it will have to adopt what are held to be "Western values" pertaining to human rights and democracy. Such presumptions are moral, rather than rational, much like those who announced that the advent of the market would destroy China because it was held to be an "evil system" waiting to collapse.

By focusing attention on the possible problems caused by China in the future, we fail to debate the actual issues in the world today – both political and economic. The key question is not whether we

are for or against China or the US – but what are we for?

Optimists, such as Mr Kishore Mahbubani, the dean of the Lee Kuan Yew School of Public Policy, rightly point to the shift that will result from the 88 per cent of the world's population who do not live in the West, only now acquiring the benefits of modernity for the first time. These changes will be dramatic. A cursory glance at numbers suggests that all the biggest ones are in Asia: the fastest growth rates, the most rapidly expanding economies, the largest exporters, the holders of the most foreign reserves, the biggest cities, the tallest buildings, the majority of the world's PhDs in science and engineering, the largest infrastructure projects on Earth and, of course, the most people.

But size is not everything. The truly remarkable aspect of Britain's and America's domination of the world in each of the preceding centuries is that they achieved this with such small populations. Even today, America's population is not that much larger than Indonesia's.

From the time of the Pilgrim Fathers on, it was a lack of manpower that forced innovation in the US. China's ability to throw labour at problems may be a disadvantage.

China and India will find that it is easier to take off than to take over. Building railways and airports is relatively straightforward when they have been invented before. Latecomers to development always move faster than earlier players. Whether these countries have what it takes to push the envelope further once they reach maturity remains to be determined.

Much can be learnt by examining previous power shifts. It is often extraneous circumstances that accelerate change rather than a conscious push. Distractions can be more significant than intentions. The US became independent when Britain was preoccupied by a war with France. It took over from Britain as the preeminent world power not when it achieved economic supremacy at the dawn of World War I, but when all of the European powers had effectively destroyed themselves over the course of

World War II.

China too has advanced during such periods. World War I in the West allowed it to industrialise and overcome the delays to its growth caused by the Opium Wars. World War II witnessed its revolution and emergence as the People's Republic.

Most recently, the end of the Cold War in the West and the associated moralising of liberals there subsequent to Tiananmen helped China. As Western investors pulled out of China, its dominant investors became the Chinese communities of Hong Kong, Macau, Taiwan and Singapore. And as Westerners balked at maintaining relations with "rogue states" like Myanmar, Iran and Sudan, they offered new development opportunities to China.

The point is that world leadership may still be more America's to lose than China's to win at this stage. The success of the "free market" was above all a consequence of the spirit of exploration and freedom of expression that reached its apogee in "the land of the free".

If Asia in general and China in particular are truly to realise the potential of their evident optimism and dynamism, it may only be once they have discovered their own spirit of freedom.

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