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# The Emergence of the 'Indo-Pacific': Understanding the Coming Era in Asia



On Thursday, November 5, the Asan Institute for Policy Studies hosted a Conference with the Perth USAsia Center. Panelists included Professor Paul Johnson (Vice Chancellor at the University of Western Australia), Ambassadors Vikram Doraiswami (Ambassador of India to the Republic of Korea), Bill Paterson (Ambassador of Australia to the Republic of Korea), Mark Lippert (Ambassador of the U.S. to the Republic of Korea), and Chun Yungwoo (Senior Advisor at the Asan Institute for Policy Studies).

Although focus has been placed on the growth of China as the defining development of the last 25 years, this conference focused on the role of the Indo-Pacific region as a major

driver of global economic development and growth in the near future. Key issues discussed during the session include how to incorporate India regionally, the growing complexity of maritime issues, and how to balance the rise of China not only with the West but also surrounding the Indo-Pacific countries.

Professor Johnson began the discussion with an analysis of changing economic opportunities in Asia, where the Indo-Pacific region will potentially represent about 60% of the world's populations with several trillion dollars of economic activity. Johnson argues that these dynamic economies will “determine future global growth or recession ... [where] free trade is the fundamental way of driving prosperity.” Nonetheless, there needs to be an enhanced degree of commonality to develop closer ties in the Indo-Pacific region. Referencing NATO as an example that uses the North Atlantic Ocean as an “idea of joining together countries that are a long way apart, the Indo-Pacific similarly uses the idea of an ocean that not separates, but joins us together.” After all, just like the way water circulates in the ocean, trade also circulates across countries in the Indo-Pacific.

Ambassador Doraiswami followed up with suggestions concerning the “irresistible rise of the Indo-Pacific.” The original rise of Japan and Singapore has now shifted to the current period where large countries such as China, India, and Indonesia are driving growth in the region. As Doraiswami notes, “a quarter of increase in productivity will be significant enough to propel these countries forward to catch up with Europe, if not the US.” The multiplier effect of growth of countries with more than a billion in population is substantial. Firstly, he suggests that it is important to devise a new strategy for Indo-Pacific development. The process that China used to create a favorable geopolitical landscape cannot be applied to other countries, and the environment has changed significantly. Secondly, Doraiswami emphasizes that there is “no obvious and direct relationship between rise of China and decline of others.” The urge to model all countries and growth stories “as if they are the U.S. in waiting are a huge mistake, as the rise of certain countries should not be a zero sum game at cost of the US-led century.” Asian nations will have to create necessary structures for a collaborative community. Thirdly, the Indo-Pacific maritime domain presents challenges, but also more opportunities for India and Indonesia. Doraiswami questions whether pre-existing international agreements can be better used to regulate the maritime domain.

Next, Ambassador Bill Paterson suggested that “an East Asian hemisphere projection of the world [...] puts Australia in the center as a central framework for understanding Asian economic and security dynamics.” Such a framework should revolve around the growth

of maritime trade and is dependent on the importance of regional communication where an “Indo-Pacific power highway replaces an Asia-Pacific power highway ... [with] massive energy and resource flows.” Ambassador Paterson raises questions about whether the Indo-Pacific can be “developed into a coherent strategic system ... [that will] encompass and explain Asian dynamics ... or moderate behavior” or if it is merely an academic construct. Nonetheless, Paterson concurs that the “single most important frame in the world today is the continued shift of economic and security power to the Indo-Pacific region that will be vital to prosperity.”

As the U.S. Ambassador, Mark Lippert considers the “three prongs” of U.S. strategy. First, the U.S. aims to “get alliances right for strategy.” Second, it will be important for the U.S. to engage emerging powers such as China, Indonesia, and India. Third, the U.S. will focus on “strengthen[ing] multilateral organizations and institutions” in Asia. Lippert points out that the U.S. is shifting towards a “rebalance to Indo-Pacific” demonstrated by its alliances with emerging powers in the region. He cites the first state dinner with the Prime Minister of India in 2009 as a “deliberate signal” revealing the importance the U.S. places on engaging India as an emerging economy and U.S.-India bilateral relations. U.S. foreign policy is now also focusing on ASEAN in terms of amnesty and cooperation, evidenced by the increase in presidential and secretary of state visits to the region.

Ambassador Chun Yungwoo then provided insights from a Korean economic and national security perspective, saying that Korea remains “grossly ignorant of the importance of Indo-Pacific to Korean economy and national security” and needs to pay more attention. The issue of maritime security is crucial: Korea’s sea lines of communication run from the South China Sea to the Strait of Malacca and Hormuz. Therefore, “any restriction of Freedom of Navigation will have serious impact on security for Korea ... [and] will be seriously detrimental to the Korean economy.” Although piracy in the Indian Ocean should be a serious concern, Koreans do not pay as much attention to it as most diplomatic energy is focused on other issues such as North Korea, China, and Japan. Economically, Chun points out that India and the Indian Ocean “offers economic opportunities that the Korean economy should take advantage of,” suggesting that it “should be a new frontier for Korean entrepreneurs while the Chinese economy is slowing down and becoming saturated.” In terms of national security, Chun also expressed that “strategic security in Northeast Asia and the Indo-Pacific can be better secured [as] the emergence of India can help in [countering] the rise of China.” Therefore, it will be very important for South Korea to achieve “strategic balance for peace and stability of the region” as they “cannot rely entirely on the U.S. as last resort.”

Professor Gordon Flake, CEO of the Perth USAsia Centre, gave welcoming remarks. Dr. Hahm Chaibong, President of the Asan Institute for Policy Studies, moderated the session.

**Date/Time:** Thursday, November 5, 2015 / 10:00am – 11:30am

**Place:** Auditorium (1F), The Asan Institute for Policy Studies

**Written by:** Rachel Leng

⇒ Amb. **CHUN Yungwoo** is a senior advisor at the Asan Institute for Policy Studies. He is also the chairman and founder of the Korean Peninsula Future Forum (KPPF). Previously Amb. Chun served as the national security advisor to President Lee Myung-bak from 2010 to 2013.

⇒ Amb. **Vikram K. DORAISWAMI** is the Ambassador of India to the Republic of Korea. He joined the Indian Foreign Service in 1992.

⇒ Prof. **Gordon FLAKE** is the founding CEO of the Perth USAsia Centre, a position he assumed in January of 2014. He has authored numerous book chapters on policy issues in Asia and is a regular contributor to the press on Asia issues.

⇒ Prof. **Paul JOHNSON** was appointed as Vice-Chancellor of the University of Western Australia in 2012. He previously served as Vice-Chancellor of La Trobe University in Victoria for four years. Before moving to Australia, Professor Johnson served three years as Deputy Director of the London School of Economics.

⇒ Amb. **Mark W. LIPPERT** is the United States Ambassador to the Republic of Korea. He previously held senior positions in the Department of Defense including Chief of Staff to the Secretary of Defense, Chuck Hagel, and Assistant Secretary of Defense for Asian and Pacific Security Affairs.

⇒ Amb. **Bill PATERSON** is the Australian Ambassador to the Republic of Korea, and concurrently the non-resident Ambassador to the DPRK and Mongolia. From 2008-2013, he was the Australian Ambassador for Counter Terrorism and Head of International Security Division at the Department of Foreign Affairs and Trade (DFAT).