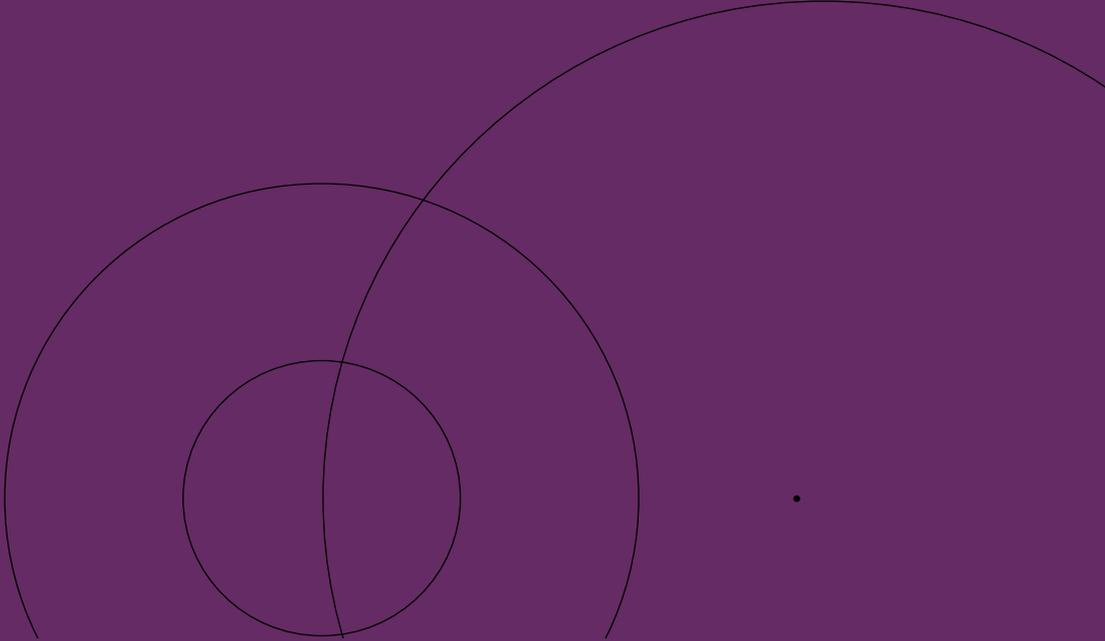


HANNES ANDROSCH



**CHINA,  
INDIA &  
the Rest of the World**

ALPBACH TECHNOLOGY SYMPOSIUM 2018  
BOOKLET FOR THE PLENARY SESSION  
GLOBAL TALK: #MAKEININDIA – INDIA ON THE FAST TRACK?

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INTRO At the end of April 2018, Chinese head of state Xi Jinping and Indian Prime Minister Narendra Modi met in the central Chinese city of Wuhan for a talk scheduled at short notice in which they went over the geopolitical situation „in a friendly atmosphere“ and explored „opportunities for cooperation“, as stated by official sources. The meeting was unexpected: Only nine months earlier, in the summer of 2017, the two countries had come close to a military conflict due to a road-building project by the Chinese in Bhutan; the conflict had immediately stirred up memories of the one-month 1962 Indian-Chinese border war.

In the meantime, however, the world situation had changed again. The Chinese military build-up and economic advance, all the more visible as the contours of its over one-trillion-dollar Belt-And-Road (BRI) initiative are emerging, not only alert many of the neighbouring countries, but also the US. India, traditionally intent on maximum independence, is therefore repeatedly mentioned as a possible part of an axis with the USA, Japan and Australia to form a counterweight. A conflict on a small scale would therefore immediately have unforeseeable geopolitical consequences.

Both leaders may have realized that it is better to seek dialogue in this situation. Xi does not want to be slowed down in his forward thrust, but does not want to get bogged down in small-scale turf wars in the course of it. Modi knows that the urgently needed structural reforms in his country can only succeed in times of peace. Military confrontations against the background of a global economic backdrop characterized by unilateral US protectionist measures and impending countermeasures are absolute poison for a coordinated planning of the future. The informal meeting in Wuhan also aimed to find a mode of conflict settlement for future disputes.

The two huge countries are expected to be the economic and political poles of the Asian century. They are poles of different sizes. Although economically basically still on a par in 1980, China is now five times the size of India, with a gross national product of \$12 trillion.

But the largest democracy in the world has outpaced the growth rate of the People's Republic at rates of more than seven percent for several years; India has already passed France, and in a few years the former colonial power Great Britain will be overtaken – a source of special satisfaction for the Indians. While China is trying to shift its economic model from an export-driven model to one that is supported to a larger degree by domestic consumption, India is only at an early stage of a possibly decades-long catch-up process.

The demographic prospects are comparatively good in that regard: While China's population will stagnate at around 1.4 billion, that of India is expected to rise to 1.6 billion by 2050. The degree of stability of the relationship between these two most populous countries of the earth must therefore be of interest to the world. That's because together with the interaction with Russia, this will lead to a fundamental geo-economic and political change not only in the Eurasian area, but globally.

After the multipolar 19th century, in which the five great powers Russia, Britain, France, Prussia and Austria-Hungary divided the power among themselves, the subsequent rise of the German Reich as well as America, the turmoil of the „Second Thirty-Year War“ from 1914 to 1945 and the bipolar world order until the collapse of the Soviet Union in 1989, the US was left as the sole superpower. Now the world is in disarray once again. The „Decline of the West,“ as German Foreign Minister Joschka Fischer has called his latest book, seems to be a matter of certainty – but, in any case, there will be a huge shift in importance towards the East. Political scientist Kishore Mahbubani from Singapore even considers this development to be a return to normal in his new book „Has the West Lost It?“. From a historical perspective, the 200 years from 1800 to 2000, in which the West played a dominating role, had been an anomaly.

But a new multipolarity from which a new balance could emerge is not in sight yet. Richard N. Haass, longtime president of the Council on Foreign Relations, already spoke of a „non-polar world“ in 2008. Such states of disarray pose a grave danger. While there were a lot of sleepwalkers before the First World War, it is the awake walkers who cause concern today.

It is therefore all the more important to gain a better unders-

tanding of the nature of those two Asian giants who undeniably will play a significant role on the world stage in the 21st century, even though this role is not precisely specified yet. The present work collects, condenses and updates contributions by the two authors which have been published in various books and media in recent months. The resulting large essay is to give the interested public an insight into the history, cultural peculiarities and political, economic and military perspectives.

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## **INDIA: THE ELEPHANT IN THE SHADOW OF THE DRAGON**

The Global Education Center of the IT company Infosys in Mysor southwest of Bangalore covers 130 hectares with over 100 buildings of the finest green architecture for 16,000 trainees and 7,000 employees, including comfortable accommodations. The huge park has a thousand trees. It is used for organic fruit and vegetable cultivation. Every now and then, an illiterate farmer is spotted on his two-wheeled cart on the grounds of the global training centre for the IT company with its 205,000 employees, a cart pulled by two bumpy oxen with a large bar on their necks. Between his ear and shoulder, the farmer has wedged a mobile phone.

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What a contrast! The agrarian age and the digital age meet simultaneously in one place.

India is one of the oldest civilizations on earth. As early as 2500 BC, an early advanced civilization with its own writing and a diversified society emerged in the Indus Valley. Its changeful history includes, among other things, the rule of the Mauryan empire with its famous ruler Ashoka, the South Indian Chola dynasty, the Islamic empires and the glorious era of the Mogul period. The latter began in 1526 with the reign of the grandson of Timur Lenk Babur, reached a peak under Akbar, only to be subjected in 1757 to the powerful influence of the British East India Company authorized by Queen Elisabeth I.

The systematic exploitation of the subcontinent by the East India Company led to the Indian uprising of 1857. After its bloody

suppression, India became a crown jewel in the British Empire until its independence on 15 August 1947, which it achieved not least thanks to the non-violent resistance of Mahatma Gandhi („Freedom at Midnight“). However, that freedom was associated with the bloody price of the separation of Pakistan, from which in turn East Pakistan separated to become Bangladesh. From this separation in 1947 arose the permanent conflict over the Kashmir region which has been lasting to this day.

This great history contrasts with today's backwardness. 70 percent of Indians live as small and micro-farmers in rural areas. They represent 50 percent of the workforce but only generate 14 percent of the gross national product. As a result, India is still mostly an agrarian country heavily dependent on monsoon rains. These can be either insufficient or too intense. Both means low harvests resulting in poverty and hunger. But even a good harvest does not change much, since then prices will go down. These circumstances are accompanied by a still high level of illiteracy. It amounts to about 20 percent for men and even 40 percent for women. The latter exemplifies the great need for the emancipation of Indian women.

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This backwardness also manifests itself in the sometimes catastrophic transport infrastructure and the poor supply of clean drinking water and is linked to the long-term lagging economic development. The Indian economic structure is still characterized by colonial rule: Because British rule stopped industrial development, the industrial sector only accounts for 15 percent of the economic performance. The current development of India seems to skip the industrial age to a great extent and enable a shortcut from the agricultural age directly to the digital age. According to the Ericsson Mobility Report, the number of smartphone users is expected to increase from currently around 250 million to 800 million by 2021. India's IT industry ranks among the world's leaders. Noteworthy here is the large number of skilled Indians living overseas, of which a higher than average number are successful in the US – especially in Silicon Valley.

It is this background which opens the door for the country to develop itself from the laggard of Asia into the next Asian economic and major power. The strong growth is a result of the reforms that began under Prime Minister Manmohan Singh in the early 1990s and are now being continued under Prime Minister

Narendra Modi. It is likely that he wins next year's parliamentary elections so as to continue on this path.

It would provide the missing link in the chain that would ensure Asia's resurgence. Just 200 years ago, Asia's share of the global economic performance was 60 percent, China alone accounting for 30 percent and India for 20 percent. After the Second World War, Asia's share only amounted 15 percent, that of China and India to about four percent each. Meanwhile, the share has risen to 30 percent again, with that of China having increased to 15 percent, which makes it the second largest economy in the world after the US, and in the not-too-distant future, it should reach first place.

The Asia comeback began in Japan and was continued by the „Four Asian Tigers“: South Korea, Taiwan, Hong Kong and Singapore. China is followed by India at some distance: With four percent of the global economic performance, the elephant still stands in the shadow of the dragon. But with about 7.5 percent, India now has the highest growth rate and will soon be the most populous nation in the world. With a median age of 27, it will have a much younger population than China at 37. In Austria this figure is 44, in Germany 46 years.

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This natural wealth requires twelve million additional jobs per year which would require India to achieve double-digit growth rates. The ambition to do so exists where the political elite of the country is concerned.

An essential driving force is the arch-rivalry with China. India feels threatened in many ways by the dynamic superpower. On the one hand, this concerns the ongoing Chinese-Indian border disputes, especially in the area of the Siliguri corridor between Nepal and Bhutan which connects the country with its northeastern parts like a chicken's neck: Chinese troops temporarily advanced into this narrow passage during the 1962 Indo-Chinese War, thus cutting Northeast India off from the main part of the country. There are further tensions in the area of the Doklam plateau and the province Arunachal Pradesh, which represents „South Tibet“ for the Chinese.

On the other hand, there is the constant confrontation between India and Pakistan over Kashmir which China also has territorial interests in, thus involving three nuclear powers. This alrea-

dy manifested itself in three military conflicts – from 1947 to 1949, in 1965 and in 1971. The China-Pakistan economic corridor (CPEC) from Kashgar in western China through the controversial Kashmir territory to the port of Gwadar is a threat for India as well. This particularly concerns the new maritime silk road from the Chinese Sea to the Persian Gulf and the Red Sea – including the bottlenecks of the Straits of Malacca, Hormuz and Bab al-Mandab.

With a number of bases in Kyaukpyu (Myanmar), Chittagong (Bangladesh), Hambantota (Sri Lanka), Gwanda (Pakistan) and as far as Djibouti at the Horn of Africa, China is creating a coastal axis of ports in order to secure the sea routes. The dragon thus has entered the backyard of the elephant, the Indian Ocean.

India feels increasingly encircled and seeks a strategic response to the Chinese challenge through a policy of counterbalancing. The trial of strength for political, economic and strategic influence in the region has considerable potential for conflict, which is why it is not unlikely that the shift of the world's economic powerhouse to Asia will lead to the conflict for global supremacy being carried on between the two Asian super powers.

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The reconciliation gestures between Xi Jinping and Narendra Modi described at the beginning of this paper, which continued in June 2018 at the Shanghai Cooperation Forum, are to be taken as a sign that the two leaders are acutely aware of this potential for conflict.

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## **CHINA: HOW DO YOU OPEN UP A COUNTRY?**

The first months of 2018 have revealed that China is in a delicate phase of its breathtaking, four-decades-long rise. It is bursting with self-confidence and shows it on the world stage too. However, the news that President Xi Jinping has allowed himself the option of a lifelong term not only worries Western observers whose democracies are increasingly coming under pressure from long-term regents such as Russia's Vladimir Putin and Turkish President Recep Tayyip Erdogan. According to observers, the news has also led to tensions in the structure of the Chinese Communist Party (CCP) itself. There is no other way to explain why Xi publicly

tempered his respective ambitions again shortly after the constitutional amendment.

But how did this remarkable opening process succeed? After the „century of humiliation“, as the Chinese describe the decades after the forced opening by the Western powers in the wake of the Opium Wars, Mao gave back sovereignty and pride, but no prosperity to the Chinese with the founding of the People’s Republic in 1949. The gigantic failed economic experiment of the „Great Leap Forward“ between 1957 and 1962 and the ten bloody, ideologically poisoned years of the Cultural Revolution from 1966 onwards showed large parts of the people and the communist cadres the backwardness of their own economic system.

Deng Xiaoping, who de facto came to power in 1978, could thus build on a widespread desire for change. Under this man, only 1.58m tall, China was gradually integrated into the world economy and the global institutional structure. This opening began with the admission of one’s own backwardness. After decades of self-deception, Deng sought „truth through facts,“ one of his famous slogans.

The fact that the large-scale change of opinion succeeded even among the party cadres in such a short a time can be attributed to the numerous delegation trips abroad. Their purpose was a sort of benchmarking: „The more we see, the more we realize how much we lag behind,“ Deng reportedly said. There were 21 such missions in 1978 alone, usually under the leadership of Deputy Prime Ministers.

However, none of these tours had such a far-reaching impact as a five-week trip in May and June of 1978, where participants were to inspect the actually existing capitalism in Western Europe. The twenty-member delegation travelled to 15 cities in Germany, Switzerland, France, Denmark and Belgium. On their return, the fellow travellers enthusiastically reported to the party superiors what they had seen and experienced: how friendly and courteously they had been treated even though they had come from a country that according to the logic of the Cold War was regarded as hostile; how high the standard of living of ordinary workers was and how little their working conditions looked like capitalist exploitation; how far developed factories, research institutes, but also agricul-

ture in European countries were. The delegation members were particularly impressed by the use of computers at a Swiss power plant and at Paris' Charles de Gaulle Airport, where take-off and landing were coordinated electronically. In Bremerhaven, the visitors encountered for the first time how modern containers were lifted onto ships.

The most important travel souvenir was thus the one intended by Deng: the realization that the West was superior. And during those weeks and months, Deng never grew tired of emphasizing this painful fact over and over again to Western partners, but also in his own country.

A milestone was the construction of capitalist enclaves in mainland China, so-called Special Economic Zones (SEZ). In these Special Economic Zones, Western companies were to be able to form joint ventures with Chinese partners. The first four Special Economic Zones were officially established in late August of 1979, all of them in southern China. The best known was Shenzhen in the Guangdong province – just outside Hong Kong, which at the time was still a British crown colony. During a visit to Guangdong, Deng had been made aware that tens of thousands of young Chinese were trying to flee to prosperous Hong Kong by simply running or swimming across the border. In Hong Kong, there were job opportunities and western lifestyle including denim jeans and Coca-Cola. Until then, the regime had responded with barbed wire fences and detention for those who had been caught fleeing. Deng, on the other hand, said that the gap between the living standards on both sides of the border had grown too large – and that the answer to that had to be an economic one.

Following similar experimental patterns, agriculture, which employed 80 percent of Chinese in the mid-1970s, was transformed as well: A trial balloon was released at the local level and the positive results were then applied to the whole. The satisfactory harvest results of 1978 proved the reformers right; their ideas finally prevailed at the highest level as well. Within four years, farmers' incomes in China doubled. In 1982, the people's communes were abolished; the municipalities gradually took their place as the lowest administrative levels. The focus on building up a domestic textile industry spurred on the agricultural sector as well. In 1981,

the People's Republic was still the fourth largest importer of cotton in the world. From 1985 on, it was an exporter.

But the start-up fever could only spread because private entrepreneurship was allowed in a whole range of sectors. But where should one draw the line between the still officially frowned-upon capitalists and small entrepreneurs? Cunningly, the pragmatists in the CCP consulted the fourth volume of Karl Marx's *Das Kapital*, which described an entrepreneur with eight employees as an exploiter. They concluded that as long as someone did not have more than seven employees, he would pass as a worker.

Barely legalized, hundreds of thousands of barber shops, restaurants, T-shirt stores and bicycle repair shops sprang up. As was thus demonstrated to all, the dynamism resided on the private side. In 1987, the seven-employee limit was lifted.

Deng, who described himself as a military man, redefined the role of science and education in the People's Republic. He regarded them as key factors for bringing about change. Deng might still have supported Mao's anti-intellectual policy in the 1950s; by the mid-seventies, however, he had fundamentally changed his views. He now demanded that mental work and physical labour be regarded as of equal rank. Unlike the leaders of the Soviet Union who strongly feared potential defections to the capitalist camp, Deng also firmly believed that skilled overseas Chinese would be useful even if they did not return to their home country. Upon his famous visit to the United States in January 1979 which marked the official launch of the normalization of relations with the United States, the first fifty Chinese students began to study overseas. In total, more than four million Chinese had left their country for studies by mid-2016; according to official sources, about half of them returned.

Although the opening up and rise of China appears to be linear in light of the growth rates of an average of almost ten percent since 1978, the reform process was on the verge of failing a number of times – in particular during the first 15 years. The overheating of the economy in the late 1980s caused tremendous intra-party turmoil; the first student protests in 1986 were also the protests of the aspiring academic and administrative elite who found themselves marginalized by the focus on the economy and

unconditional growth targets. The bloody crackdown on the protests on Tiananmen Square in Beijing on 4 June 1989, which claimed the lives of several hundred people, threatened to put a final stop to development.

Deng managed to save his life's work and, with Jiang Zemin as Secretary-General and President and Zhu Rongji as Prime Minister, he set up persons of trust who saw to „relative stability and a rapid – even spectacular – economic growth,“ as Deng biographer Ezra Vogel wrote in 2011. His conclusion: „Today, hundreds of millions of Chinese people live in conditions of greater prosperity than they did before 1989 and they have better access to information and global ideas than ever before in Chinese history.“

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## AHEAD!

The People's Republic neither wants to remain the workbench of the world, as it was in the first decades after the opening up, nor an imitation champion. Their high-tech strategy „Made in China 2025“ which includes achieving global dominance in the field of robotics, a key discipline of digitisation, bears witness to this. The purchase of the German manufacturer Kuka 2015 perfectly fits into this strategy; and the German Siemens Group moved its headquarters for research in the field of autonomous robotics to China as well. China wants to be the world leader in the field of artificial intelligence by 2030, the sector is to have reached a turnover of 150 billion dollars by then. The path from the imitation economy to the innovation economy is still long, but the efforts are as enormous as they are credible.

Extremely long-term goals are characteristic of Chinese thinking: Not only the famous five-year plans, but also decades-long visions set the pace. 2049, the centenary of the founding of the state, is regarded as a shining date on the horizon, by which the superpower status is to be established for good.

In a similarly planned manner, President Xi Jinping opens the door to dreams: By 2035, China is to be an innovation leader in key technology areas, but to also have decidedly improved environmen-

tal protection, legal security, and answered the needs of the fast-growing middle class. By 2049, it is imperative to become „modern, strong and prosperous,“ according to the guiding vision. Whether soccer fan Xi’s goal of pushing China’s national soccer team to the top of the world by 2050 – also supported by a master plan – is arguably the most fantastic of all goals set by top government – the team certainly did not qualify for the 2018 World Cup in Russia.

However, it would be short-sighted to conclude from the impressive decades since 1980 that the set goals will be achieved in the future as well. Environmental and human rights issues have become no less pressing in recent years, although protests against the regime remain comparatively restrained and isolated. 300 million migrant workers without right of residence are a ticking time bomb. The option granted to Xi to appoint himself president for life contradicts the success formula of „collective leadership“ practiced by Deng Xiaoping.

Welcoming digitisation while sealing off one’s own digital markets out of vague fears of uncontrollable freedom of expression is a questionable strategy in the medium term as well. The latest reports about state-run social credit systems being tested in pilot regions are something not even George Orwell would have dared to dream in his famous 1984 novel. These tighter reins run counter to their own innovation objectives: Creativity needs freedom. Deng Xiaoping’s approach was a gradual controlled increase in individual freedoms; this trend appears to be reversing now.

Extrapolations of the past into the future are therefore out of place.

The spectacular rise of the Far Eastern empire not only has consequences for the global economic and political structures, but also for the value universe. It is no coincidence that the countries of Eastern Europe (from Hungary to Poland) which pay homage to the model of „illiberal“ democracy in which human rights are seen as a matter of the respective own dominion are China’s favourite partners in the context of the Belt-And-Road Initiative (BRI) – e.g. in the so-called 16+1 format.

For that reason too, India, the world’s largest democracy, could be of interest as a strategic partner for the US or the EU – it already is for economic reasons, anyway. When moving through

Indian cities, one still gets the impression today that chaos is a higher form of order. How this system is able to function and develop in spite of caste systems etc. remains a mystery to many outsiders.

However, since the takeover of government business by Narendra Modi, the prime minister has made every effort to ensure long-term orientation with large-scale initiatives. „Make in India“, for example, was launched in 2014 and is designed to encourage as many manufacturing companies as possible to set up business and produce in India. With over 60 trillion dollars in foreign direct investment in 2015, the country also overtook the US and China as an investment location for the first time. The „Start-up India“ initiative launched two years later seeks to further strengthen the existing technological strengths and digital perspectives of the country's 1.4 billion inhabitants. The Japanese Softbank and the US corporations Google and Oracle are large investors in the start-up sector so far.

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## CHINA, INDIA & THE REST OF THE WORLD

The smallest of the three major oceans will be the most important one in the future, the *Neue Zürcher Zeitung* wrote in mid-May 2018 with a focus on the Indian Ocean. The fastest-growing economies in the world are located in this region which houses one third of the world's population and 40 percent of the global oil and gas reserves. 90 percent of India's foreign trade is transacted by sea, and half of China's maritime oil transports pass through the Indian Ocean as well.

The People's Republic is working on the construction of a military naval fleet, which, on the one hand, is to secure the supply routes through the Indonesian island world and the Indian Ocean and, on the other hand, is to break the dominance of the US warships operating in these areas. In the long run, this could lead to a China-US confrontation.

Analysts with a historical perspective like to use the expression „big game“ again, as the 19th century struggle for influence of the great powers in this region was called. The fact is that India is

catching up economically, but the growth differential is too small to be able to act as a strong counterbalance to China on its own. The economic performance is one-fifth, the military budget one third of that of the People's Republic.

Under Prime Minister Hu Jintao, China nurtured the image of a „peaceful rise“. But since the territorial conflicts in the South China Sea – an area between China and Malaysia, the Philippines and Vietnam, bounded by the so-called nine-dash line defined by China – the People's Republic is increasingly perceived as aggressive.

India, on the other hand, is still perceived as a „kind, rising power“, even though as a strategic partner, it already is a key player, whether it wants to or not. To the country which will soon have overtaken China as the most populous country, the (China-Pakistan Economic Corridor – CPEC) which is planned as part of the new silk road Belt-and-Road Initiative (BRI), is a thorn in its side. Indian Prime Minister Narendra Modi has thus demonstratively refused the invitation to the „Belt and Road Forum for International Cooperation“ in May 2017, the grand launch initiative of China's centennial project in Beijing. It is no coincidence that the topic of greater security cooperation between the US, Japan, Australia and India („Quad“) has recently been taken up again.

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India as the possibly closer partner of the USA, Pakistan as an „all-weather partner“ of China – the interaction of the two neighbouring nuclear powers is a key factor in the peaceful development in the Indian Ocean. Both countries each have between 120 and 150 nuclear warheads, and 1.2 million Indian soldiers face a Pakistani army half their size. The potential impact of the BRI should also be considered against this background.

Because BRI does not just stand for any infrastructure programme. It is the Chinese attempt to secure the trade routes to the West and to extend its economic zone of influence far into East Africa and Europe. Many destinations the famed Admiral Zheng He and his fleet headed for in the 15th century now mark the as it were natural expansion spaces of a new, power-conscious China in the 21st century. With its initiatives to create a terrestrial and maritime, soon also a polar Silk Road and the „Made in China 2025“ goal (see also Chapter 5), China is consistently working to build its regional and also long term global supremacy.

If the plans are implemented, the time it takes for a freight train to travel from Rotterdam to Beijing will be reduced from the previous approximate one month to two days by 2030. According to official figures, 100 countries are by now involved in BRI, with lead projects being the 3,000-kilometer high-speed train link between China and Singapore and natural gas pipelines in Central Asia. Beijing is even considering an expansion of BRI to South America. Xi promotes a win-win situation for all involved. The CEO of the German Siemens group, Joe Kaeser, regards this mega-project as the beginning of the end of an old world economic order: „The Belt and Road Initiative will be the new WTO, whether we like it or not.“

It is obvious that the CPEC, which we have already mentioned in the second part of this paper, has enormous potential for conflict. This China-funded transportation and economic corridor connects the new Pakistani deep-water port Gwadar with Xinjiang, the westernmost Chinese province. Costs: 54 billion US dollars. This „back entrance“ shortens the route of oil shipments from the Middle East to western China by some thousand kilometers for the Chinese. 91 percent of Gwadar’s income will go to China tax-free over the next 40 years. Therefore, there is no question as to who has the sovereignty over Gwadar.

Whether the bet on a trade boom fuelled by the construction of new infrastructure will pay off also depends on how peacefully the region will develop as a whole. Gwadar is located in the troubled Balochistan province bordering Afghanistan. CPEC is a potential target for terrorist attacks. The Chinese Embassy explicitly warned its compatriots in the region about attacks at the end of 2017. Pakistan has deployed 15,000 soldiers for the protection of the port of Gwadar alone.

This situation is dangerous as long as the current world disorder continues. Under US President Donald Trump, the United States has developed from a primus inter pares of the Western world into an unpredictable player. Aggressive unilateralism without regard to existing practices and the new economic weight distribution is the essential characteristic of the new agitators in the Trump administration, led by the new foreign minister Mike Pompeo and National Security Adviser John Bolton. The recent

decisions in Iran, as well as in the Israeli and Russian policies of the Americans are characterized by abrupt manoeuvres and the absolute determination to demonstrate power. A key lever is trade policy: The present pattern of sanctions against China, the EU or Russia that were first threatened, then tempered, cancelled, and finally imposed suggests that there seems to be no US strategy except rapid deal making through maximum pressure build-up.

This could, on the other hand, encourage new foreign and economic policy alliances, such as between the EU and China or between individual EU states and India. It is no coincidence that France, which has military bases in Djibouti, Abu Dhabi and Reunion Island, and India are seeking a maritime security partnership. Far-Eastern intellectuals, such as Singapore-based political scientist Kishore Mahbubani, generally urge the West to recognize Asia's re-emergence as a fact and to join in a cooperative world order. Established institutions such as the UN and the WTO should continue to be central vehicles of this order. But according to Mahbubani, their decision-making bodies should be extended to include the right to vote for the „newcomers“ according to their new weight.

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The described developments in China and India will have a significant influence on world events in the 21st century. Europe will not be able to avoid this fact either, all the less so because we are currently experiencing problematical conditions in transatlantic relations as well as in Eastern Europe and are, moreover, are confronted with a “ring of fire“ from Afghanistan to North Africa.

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POSTSCRIPT The most recent book that deals with the re-emergence of India and China, but also with Indonesia, was written by political scientist Kishore Mahbubani. He teaches at the Lee Kuan Yew School of Public Policy at the National University of Singapore and argues in *Has the West lost it?* that Asia, but also parts of Africa, are virtually defeating the West with its own virtues after 200 years of backwardness: The idea of good governance. They thus return to that place in world politics and economy which they held until 1800. In his book published in mid-2018, Mahbubani

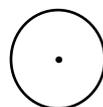
compels Western observers to recognize previously unperceived success stories outside the US and Europe. For instance, he documents economic and educational progress of countries like Malaysia, but also Pakistan and Bangladesh in detail.

From Mahbubani it is not far to Joschka Fischer's book *Decline of the West*, published a few months before. The former German foreign minister observes that the American world order threatens to be deliberately destroyed by the US president – Donald Trump's withdrawal from multilateral obligations in NATO or the WTO poses new challenges for the transatlantic allies. At the end, there is – once more – a call for European unity and strength.

Inspired by a six-month journey from Baku through Samarkand and Vladivostok to Beijing, Bruno Maçães' book *The Dawn of Eurasia* is both a political analysis and a travel account. The former Portuguese Minister for Europe argues that the division between Europe and Asia is an artificial one – and that the EU must realize this fact in order to secure its own political project. Maçães considers it imperative to take an active, constructive approach to China's Belt-and-Road Initiative, rather than a passive one.

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Graham Allison's stimulating study *Destined for War* was already published in 2017 and is in essence the revision of a magazine article from 2015. In it, he explores the likelihood of China's rapid rise leading to a military conflict with the United States. The Harvard political scientist examines historical situations in which an emerging power challenged a dominant one, starting with the ancient example of Athens and Sparta. In twelve out of 16 cases identified by Allison, the „Thucydides Trap“, named after the Greek chronicler of the Peloponnesian War in the fifth century BC, snapped shut. Given the rise of Athens, Thucydides characterized this conflict as „inevitable“. While Allison describes the danger of war between China and the US as real, he yet concludes that there are good opportunities and historical models to negotiate a long-lasting peace despite tensions.



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