

Book Review

Parag Khanna. *The Future Is Asian: Commerce, Conflict, and Culture in the 21st Century.* New York: Simon & Schuster, 2019. 448pp. ISBN: 978-1501196263. \$29.95 hardcover.

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Since the nineties the rise of Asia is a well-established theme. Khanna contributes several engaging observations. The early chapters provide a fast-paced account of momentous investment, infrastructure, high tech, sovereign wealth funds, and business cooperation across Asia. Khanna's stage is *Greater Asia* that includes West Asia and Eurasia, and stretches from Japan to the Mediterranean, from Vladivostok to Madrid, and in fact, connects the Pacific to the Atlantic via overland routes and by sea. The emphasis is on business and cross-regional cooperation, not on geopolitics and contention. Asian frictions that loom large in international reporting take a backseat in this version of Asian trends and futures. They are mentioned lightly and in passing, while investment, infrastructure, high tech, finance, and business cooperation hold the front seats.

Many of these dynamics are not covered in Anglo-American business media. Compared to the dynamic effervescence of greater Asia, the Atlantic world comes across as a backwater, a mid-twentieth century modernity that flourishes mainly in high tech. While the United States has talked about but has installed little high speed rail for 40 years, Asia keeps building plenty, also in Africa. Khanna's book is the polar opposite of grim accounts from Atlantic viewpoints such as Stephen D. King's *Grave New World* (2017).

The appeal of the theme of greater Asia is a future in the making in which different parts of Asia complement and balance one another. Industrial and high tech dynamism in China and Northeast Asia may complement weaker industry and services in Southeast and Central Asia. Regional cooperation has been growing steadily (ASEAN+3, FTA with China) and FTAs and economic corridors are multiplying. While greater Asia may verge towards a "pan-Asian system," it is an "open regionalism." This book devotes chapters to Asia plus Africa ("the return of Afroeurasia"), Latin America, Europe and "global Asia." Of course, the BRICS, the Asian Infrastructure Investment Bank and the Belt and Road Initiative (BRI) are broad intercontinental programs. The BRI cooperates with Russia's Eurasian Economic Union. The Shanghai Cooperation Organization includes Central Asia,

Russia as well as India, since 2017. The cooperation of China, Russia, and Iran is of long standing.

Many accounts of Asia now are China-centric, but in Khanna's view, "The future Asian geopolitical order will ... be neither American nor Chinese led. Japan, South Korea, India, Russia, Indonesia, Australia, Iran, and Saudi Arabia will never collectively come together under a hegemonic umbrella or unite into a single pole of power" (137). China is embedded in greater Asia. An elegant take is: "Those who are looking for either rigid lines of alliance or moral clarity among Asia's shifting partnerships will find themselves in an Escher painting" (139).

Add a depth of the historical field that is unmatched in the world, geographic proximity, high population densities, both young and aging demographics, and Asian openness and fast learning, and we get a sense of the dynamism in Greater Asia. Among Asian lessons learned from the 1990s, Khanna mentions a suspicion of "Anglo-American style deregulated financial capitalism"; Asian countries rather lean towards fiscal redistribution driving equitable growth (162). Features of Asian capitalism ("Asianomics") are that the market is a servant, not a master, and the state plays a large role, often alongside family-run conglomerates. This pattern applies to Japan's keiretsu, Korea's chaebol, Southeast Asian conglomerates, and to the Arab world and Iran. This also informs trade and globalization. "Unlike in the West, Asian societies remain pro-globalization *because* their governments are actively steering it in their favor" (162). Khanna's work is a sequel to accounts such as Ben Simpfendorfer's *The New Silk Road* (2009). Simpfendorfer, who is now a business consultant in Dubai, is quoted in the book.

A chapter on governance, "Asia's technocratic future," argues that in Asia the emphasis is not on politics but on policy, on capable administration. Singapore's technocratic administration is upheld as a counterpoint to American incompetent governance and as a model that is upheld and sought after across greater Asia. This chapter walks a tightrope. Is Singapore the leading model for the region or is it mainly an Asian middle class utopia of a small nation without a poor majority? An ethnically stratified, elitist country that, like the Gulf Emirates, offers apartheid to its migrant workers? Yes, Singapore inspired Deng Xiaoping's opening up of southern coastal China to foreign direct investment, but is a geostrategic island of 5.1 million people a model for greater Asia of nearly 5 billion people (1)? A greater Asia half of which is run by autocrats and elites, keen on infrastructure construction, short on transparency and legitimacy, upholding an accountable technocracy? Elite families who control 80 percent of land in Thailand, Malaysia, and the Philippines, striving for equitable growth? Striving for equitable growth under the sunny skies of Assam, Jammu and Kashmir, Xinjiang, or in Putin's Russia? Equitable growth applies to Northeast Asia (Gini index in the low 30s) but it does not apply to Southeast Asia and South Asia (Gini index in the high 30s or above 40),

nor does it match China where poverty is way down but inequality remains a work in progress.

Welcome in this book are perspectives on Asian dynamism, openness, learning, and capable government and the ways Asia departs from Anglo-American *idées fixes*. Most of Asia (not India) has passed the Covid-19 test of 2020 while the US and UK flunk. But does this account give Asian elites, governments, and business an easy pass? Problems of inequality and environment come up but are gently glossed over. Does this breezy account distinguish genuine accomplishments from scams in the making? Khanna's upbeat perspective is appealing, yet his breezy account of business flurry leaves gaps. Is greater Asian momentum a dynamic of inclusive development, or is it just another chapter of growth and accumulation along with another promise of trickle down? Maybe "it is the rule of law, not democracy, that most strongly drives economic performance" (309–10), but what is the quality of law and the quality of growth? It takes transparency and accountability to see to the quality of growth, as Human Development Reports have been pointing out since 1992.

References

- King, S. D. 2017. *Grave New World: The End of Globalization, The Return of History*. New Haven: Yale University Press.
- Simpfendorfer, B. 2009. *The New Silk Road*. London: Palgrave Macmillan.