

China loses path to 'undisputed primacy' in Asia as U.S. rebounds

Lowy's Asia Power Index shows Beijing's ongoing challenge to Washington

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TOKYO -- The U.S. has seen a reversal of fortunes since last year, when China closed the gap on American influence in Asia, according to a new report by the Lowy Institute.

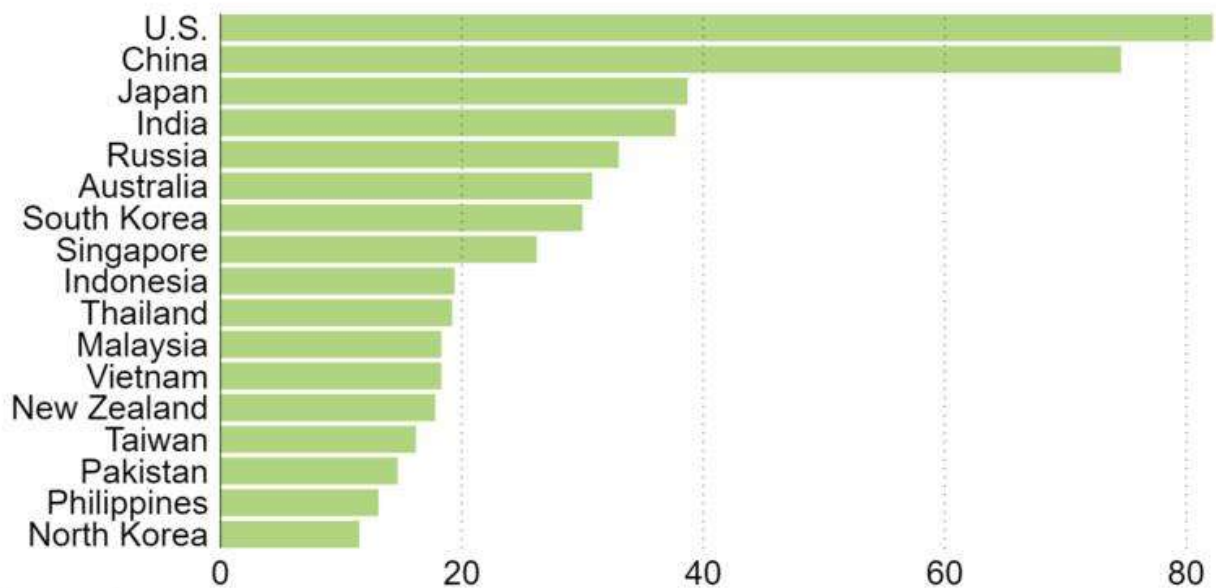
This year marks the first gain for the U.S. since the Australian think tank began publishing its annual Asia Power Index in 2018. Washington bucked the downtrend seen in most of the 26 ranked countries. The annual index awards points for military capability and defense networks; economic, diplomatic and cultural influence; resilience; and future resources.

The U.S. scored 82.2 points, up from 81.6 in 2020. Aside from the U.S., Brunei, Sri Lanka and Bangladesh were the only countries to gain points this year.

China received 74.6 points, its score falling for the first time since 2018, "with no clear path to undisputed primacy in the Indo-Pacific," the report says. It surpassed the U.S. only in economic capability and relationships, but it also gained ground in terms of military capability and resilience.

Losing military primacy and economic relevance should concern Washington, according to the report. Domestic opposition continues to prevent a U.S. return to the CPTPP trade pact, while China has applied for membership.

Asia Power Index 2021 (Overall score)



Source: Lowy Institute

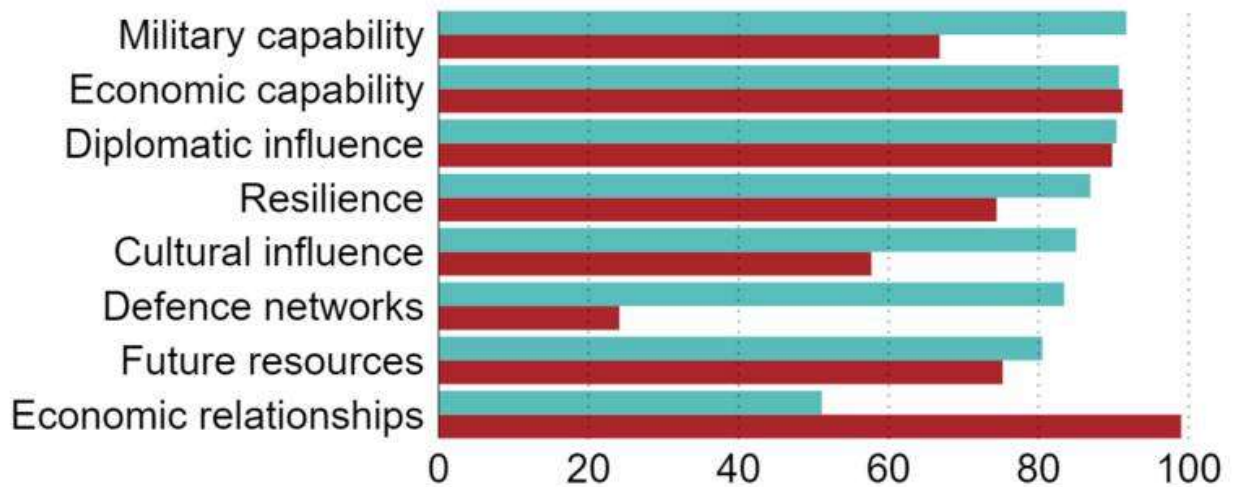
While the Chinese economy is still expected to outpace the U.S., its rate of growth is uncertain because of structural weaknesses such as its aging population and high debt burden.

"There is nothing inevitable about China's rise in the world. It appears very unlikely China will ever be as dominant as the United States once was," the report concludes.

Japan, India, Russia, Australia, South Korea and Singapore retained their positions in the top eight. Indonesia's move into ninth place bumped Malaysia out of the top 10, which was rounded out by Thailand.

Superpower scores by category

■ China ■ U.S.



Source: Lowy Institute

Indonesia's rise in the ranking is important for Association of Southeast Asian Nations to remain relevant in the regional order especially after the bloc's weaknesses were highlighted by this year's military takeover in Myanmar.

Indicators for vaccine diplomacy were added this year, which favored the U.S. Washington delivered twice as many doses in Asia as China.

Pandemic losses cost points for Japan and India, which could have offered alternative power centers to the U.S. and China. Australia, in fifth place, has also increased its dependence on the U.S. since China imposed punitive tariffs and Canberra joined the AUKUS alliance.

The report warns that the growing gap between the two superpowers and the rest of the region will only make it more bipolar. Washington's allies have grown more dependent on U.S. military and strategic capabilities, while China has sought partnerships with nuclear-armed Russia, Pakistan, and North Korea.

The region faces a "significant risk of war" as military spending continues to rise, with the Lowy Institute forecasting a combined defense budget of \$1.2 trillion in 2030 for the Quad countries -- Australia, India, Japan and the U.S. China and its allies, meanwhile, are projected to spend \$744 billion on their militaries in 2030.