Kishore Mahbubani says US-China tension could split southeast Asia

Kishore Mahbubani says the region may be paralysed by competition between the US and China. Supplied

Competition between the US and China threatens to tear southeast Asia apart and Australia will be a major loser, according to one of the region’s leading strategists.

Former longtime Singapore diplomat Kishore Mahbubani says the Association of Southeast Asian Nations (ASEAN) is facing paralysis and will not be able to make decisions because it is being caught between great power rivalry.

"We are now moving into an era where competition between the United
States and China will step up in the decades to come and when it does ASEAN and to some extent Australia could also be torn apart in this competition,” Professor Mahbubani said, ahead of a major lecture in Canberra on Tuesday.

"Clearly all the ASEAN countries want to be friends with the US and they want to be friends with China, they don’t want to choose but events might arise which force them to choose."

"Even in a worst-case scenario they won’t formally break up for five to 10 years but there could be paralysis and inefficiency before that."

Professor Mahbubani said this would have profound implications for Australia because it had benefited from the stability provided by peace in southeast Asia and a steady relationship with ASEAN.

"Let’s say in the worst-case scenario ASEAN breaks apart, among the biggest losers will be Australia. Australia actually should have been living in an uncomfortable geopolitical neighbourhood but the success of ASEAN and the calm that ASEAN has created has been a geopolitical gift to Australia.

"Life will be more difficult for Australian policymakers."

Last week ASEAN foreign ministers retracted an agreed statement that was mildly critical of China’s maritime territorial claims in the South China Sea in a sign of growing tension within the group.

Professor Mahbubani, who once headed Singapore’s foreign ministry and is now with the Lee Kuan Yew School of Public Policy at the National University of Singapore, will deliver the ST Lee Lecture on Asia and the Pacific on Tuesday.

He will also be participating in the annual Crawford Australian Leadership Forum sponsored by The Australian Financial Review, the Business Council of Australia and the ANU on Monday and Tuesday.

His comments follow a warning from former US secretary of state Robert Zoellick in the Financial Review last week ahead of the forum that Australian business should not become complacent about stable economic growth in China.

Professor Mahbubani also warned that a British departure from the European Union would encourage the break up of other countries and
organisations around the world.

He said Asian governments were watching the British referendum this week with "shock and horror".

"It would be a very bad sign because it will weaken the EU. The EU has always been a role model for regional integration for the world and if the role model breaks apart it actually makes it easier for others to break apart then.

"It is hard to believe the British could be so stupid to leave the EU. All the calculations are Britain will suffer if it leaves the EU."

Professor Mahbubani said the election of Donald Trump as US president would create an unbelievable amount of uncertainty in the world although it was quite likely Mr Trump would eventually back away from many of his election promises.