

US stepping up economic engagement in Asia: Clinton

By Sharon See | Posted: 17 November 2012 1238 hrs



US Secretary of State Hillary Clinton speaks at Singapore Management University in Singapore on November 17, 2012. (AFP/POOL/Matt Rourke)

SINGAPORE: The US is updating its foreign policy priorities to take economics into greater account.

Secretary of State Hillary Clinton said the US is shaping its foreign policy to account for both the "economics of power and the power of economics".

She was speaking about US economic statecraft at the Singapore Management University (SMU) on Saturday.

Mrs Clinton is on an official visit to Singapore from November 16-18.

Gaining political clout is no longer about growing military power. Instead, it is about economic growth and GDP, said Mrs Clinton.

She said: "Across the world, increasingly, economics are shaping the strategic landscape. Emerging powers are putting economics at the centre of their foreign policies.

"And they're gaining clout, less because of the size of their armies than because of the growth of their GDP.

"For the first time in modern history, nations are becoming major global powers without also becoming global military powers.

"Today, the non-stop flow of people, goods and capital through this small nation (Singapore) is proof that a country does not need to be big to be mighty, to be respected, to be a real leader."

Mrs Clinton said the US is strengthening its economic leadership to maintain strategic leadership in the region.

This means updating its foreign policy to one where economics play a larger role.

She said: "For the last decade, as you know, the United States focused enormous time, resources and attention on a war in Iraq that is now over and a war in Afghanistan that is winding down.

"Responding to threats will of course always be central to our foreign policy, but it cannot be our foreign policy.

"America has to seize opportunities that will shore up our strength in the years to come. That means following through on our intensified engagement in the Asia Pacific and elevating the role of economics in our work around the world."

Stressing the importance of economic engagement in Asia, Mrs Clinton said US President Barack Obama's visit to Asia so soon after his re-election underscores this priority.

Another area of focus is finding ways to tap economic solutions for strategic challenges, just like in Myanmar.

She said: "The costs of economic sanctions (on Myanmar) and the benefits of rejoining the global economy help spur the government to begin opening up.

"And we're very grateful to the wise counsel we received from Singapore along the way. The United States is responding not just with growing diplomatic engagement but also with new economic ties that we believe will help encourage further political and market reforms."

Mrs Clinton also outlined her vision for Myanmar to become a commercial hub that could link markets in India and Bangladesh with Southeast Asia.

The other areas of priority include boosting US exports, opening new markets and levelling the playing field for its businesses.

And the US is now building its diplomatic capacity through training and recruitment to achieve its agenda.

It is Mrs Clinton's second visit to Singapore since she was appointed US Secretary of State.

She was last here three years ago with Mr Obama for their first APEC meeting, which she said has helped launch the country's pivot to Asia.

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