



# AUDIT OF GEOPOLITICAL CAPABILITY: ASIA-PACIFIC COOPERATION (APEC)

Assessing the Neighbourhood of Chile - Part Two

The Henry Jackson Society

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# About the compiler

James Rogers is Director of the Global Britain Programme at the Henry Jackson Society, of which he is a founding member. From 2012 to 2017 he held a range of positions at the Baltic Defence College in Estonia, including Acting Dean, Director of the Department of Political and Strategic Studies, and Lecturer in Strategic Studies. He has been an Associate Fellow (2013) and Visiting Fellow (2008) at the European Union Institute for Security Studies in Paris. He has also worked on projects for a range of organisations, including the Development, Concepts and Doctrine Centre, RAND Europe, the European Council on Foreign Relations and the Royal Institute for International Relations (Egmont). He has given evidence to the Foreign Affairs Committee in the Houses of Parliament, as well as the Subcommittee on Security and Defence at the European Parliament. He holds a first-class BSc Econ (Hons) in International Politics and Strategic Studies from Aberystwyth University and an MPhil in Contemporary European Studies from the University of Cambridge.

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### **Executive Summary**

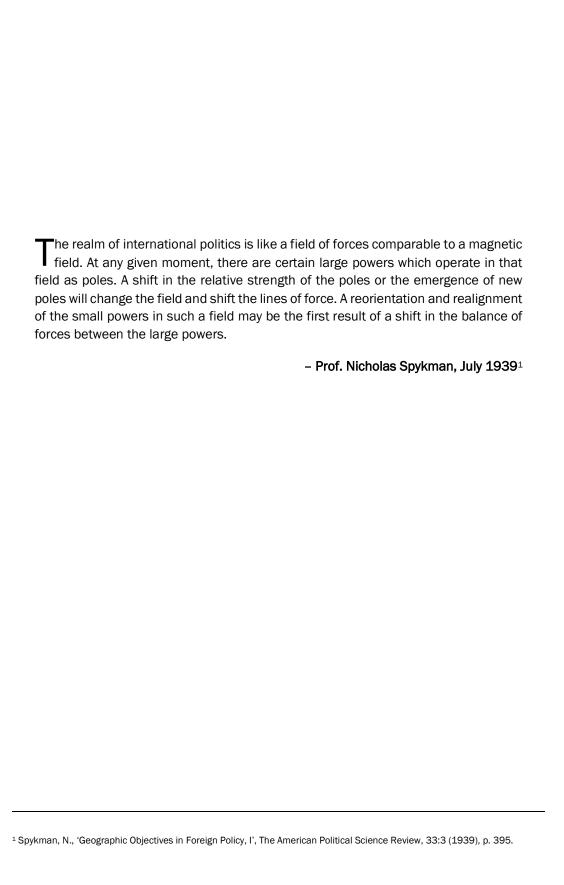
- As the global balance of economic and geopolitical power has changed, Chile's
  economic and political interests have broadened beyond South America and the
  Euro-Atlantic world. Over the past 30 years, Chile's commercial interests have
  expanded as the Asia-Pacific region has grown in economic gravity.
- In November 2019, Chile will host the Annual Summit of Asia-Pacific Economic Cooperation (APEC) in Santiago.
- This study the second in a two-part series focusing on Chile's geographic neighbourhood – uses the Henry Jackson Society's 'Audit of Geopolitical Capability' to assess the geopolitical capabilities of Chile's extended neighbours, namely the 21 members of APEC.
- 'Geopolitical capability' is defined as the potential ability of a country to use a broad range of resources, structures, instruments and resolve to overcome the 'tyranny of distance' and influence physical space, including counterparts located within that space.
- The audit is predicated on a framework with four central attributes: 'national base', 'national structure', 'national instruments' and 'national resolve'. These organise five 'pillars' 'economic clout', 'technological prowess', 'cultural prestige', 'diplomatic leverage' and 'military might' comprised of 33 indicators, which together form the building blocks of national geopolitical capability.
- The resulting geopolitical audit of all APEC members reveals that there are substantial differences in their geopolitical capability, both overall and in terms of specific attributes.
- The US remains by some margin the only superpower in APEC: it maintains the largest national base, the most extensive national structure, and has access to overwhelming national instruments, not least awe-inspiring economic clout and military might.
- China has become, albeit by a smaller margin, the second most capable member of APEC and has the potential to become stronger yet.
- Of the APEC members in East Asia and Oceania, Japan, Australia, South Korea and New Zealand perform robustly.
- Of all APEC members in South America, Chile achieves the highest rank overall, scoring particularly highly for the attribute national resolve. Underpinned by national stability and good governance, the audit shows that the Chile is well placed to act as an economic magnet and dynamo on the south-eastern edge of the Pacific rim.

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# Foreword

#### 1. Introduction: The Rise of the Asia-Pacific

The strategic consequences of the 'Great Recession' during the late 2000s show no sign of abating. The pre-eminent outcome appears to be the end of the economic and industrial ascendancy of the Euro-Atlantic world. This began with Portuguese, Spanish and British oceanic expeditions in the 15th century and accelerated due to the industrial revolution that began in the British Isles during the late 18th century, which went on to spread across much of Europe and North America.

In hindsight, this economic transformation has been underway for some time. In 1989, at the end of the Cold War, the Euro-Atlantic region – Canada, the United States (US), the 12 countries of the European Community, along with Norway, Sweden and Finland – accounted for just over 60% of global Gross National Income (GNI); however, by 2017, marginally under thirty-years later, their relative share had fallen to just over 46%. Just as the Cold War ended, significant developments were taking place on the other side of the world. In 1989, the countries flanking either side of the Pacific Ocean formed Asia-Pacific Economic Cooperation (APEC). In 1989 they held 53% of global GNI (with the US and Japan holding the lion's share). But by 2017, their share had increased to just over 59%. So, as the Euro-Atlantic region went into relative economic decline, the Asia-Pacific began to grow.

According to long-term economic projections by PricewaterhouseCoopers and the London-based Centre for Economics and Business Research, the gulf between the Euro-Atlantic region and the rest of the world, not least the Asia-Pacific region, is likely to become wider still.<sup>3</sup> In 1989, China's economy, in terms of GNI, was just two-thirds the size of the United Kingdom's (UK); in 2017, it was over four times larger, and may even overtake the United States in the coming decades.<sup>4</sup> If it can initiate further political and economic reforms, China may be able to out-produce all of Western Europe's big economies put together by the 2030s.<sup>5</sup> The Asia-Pacific region now forms the core of the global economy, in the same way that the' Euro-Atlantic zone has dominated the past two centuries.

<sup>&</sup>lt;sup>2</sup> Global Gross National Income (GNI, Atlas Method) in 1989 was US\$21.1 trillion. In 2017 it was US\$78.4 trillion. See 'GNI, Atlas method (total US\$), *World Bank*, 2019, available at:

https://data.worldbank.org/indicator/NY.GNP.ATLS.CD?end=2017&start=1989, last visited: 23 May 2019. In 1989, the GNI of the 12 countries of the European Community, the US, Canada, Finland, Sweden, Norway was US\$12.7 trillion. In 2017 it was US\$36.3 trillion See: 'GNI, Atlas method (total US\$), World Bank, 2019, available at:

https://data.worldbank.org/indicator/NY.GNP.ATLS.CD?end=2017&locations=BE-DK-FR-DE-GR-IE-IT-LU-NL-PT-ES-GB-CA-US&start=1989, last visited: 23 May 2019. In 1989 the GNI of all current members of APEC was US\$11.2 trillion. In 2017 it was US\$46.5 trillion. See: 'GNI, Atlas method (total US\$), *World Bank*, 2019, available at:

https://data.worldbank.org/indicator/NY.GNP.ATLS.CD?end=2017&locations=AU-BN-ID-KR-MY-NZ-PH-SG-TH-HK-MX-PG-CL-PE-VN-JP-CN-US-CA&start=1989, last visited: 23 May 2019.

<sup>&</sup>lt;sup>3</sup> 'The World in 2050', *PricewaterhouseCoopers*, February 2017, available at:

https://www.pwc.com/gx/en/issues/economy/the-world-in-2050.html, last visited: 23 May 2019, and 'World Economic League Table', Centre for Economic and Business Research, December 2018, available at: https://cebr.com/welt-2019/, last visited: 23 May 2019.

<sup>&</sup>lt;sup>4</sup> See 'GNI, Atlas method (total US\$), World Bank, 2017, available at:

https://data.worldbank.org/indicator/NY.GNP.ATLS.CD?locations=GB-CN, last visited: 23 May 2019.

<sup>&</sup>lt;sup>5</sup> 'Global Economics Analyst: Landing the Plane', *Goldman Sachs*, 14 November 2018, available at:

https://www.goldmansachs.com/insights/pages/outlook-2019/global-outlook/report.pdf, last visited: 3 December 2018, and 'The World in 2050' *PwC*, February 2017, available at: https://www.pwc.com/gx/en/issues/economy/the-world-in-2050.html, last visited: 23 May 2019.

This economic growth is having geopolitical consequences. This has caught the Euro-Atlantic powers – the traditional custodians of the rules-based international order – by surprise, and not only because of their relative economic decline. Imagining a more peaceful and prosperous world in the aftermath of the Cold War, the Euro-Atlantic countries disarmed themselves and turned increasingly inward. The prevailing consensus in most developed Euro-Atlantic countries was that the new emerging Asia-Pacific economies would gradually integrate into the pre-existing rules-based international system as 'responsible stakeholders'. In recent years, however, this perspective has been put to the test. While some Asia-Pacific countries (including Russia) have become increasingly responsible and integrated, others have indulged in revisionist *geopolitics* – a word and idea that had all but gone out of fashion by the early 2000s.8

In particular, the economic rise of China has unnerved many surrounding countries, as well as the US, where a bipartisan consensus is emerging that sees China as a long-term strategic competitor to American interests. Besides China's deeply authoritarian tendencies, concerns have grown about Beijing's global agenda, not least due to its US\$1 trillion 'Belt and Road Initiative', attempts to 'continentalise' the South China Sea, and naval build-up. The re-emergence of traditional geopolitics is indicative of the emergence of a more contested and competitive international environment. 11

#### 1.1 Implications for Chile

For much of its history, Chile has been a South American country with extensive political and economic links to Europe. Even as late as 1989, Europe consumed almost 39% of Chile's exports – more than double what it exported to North America, Chile's next-largest export market. However, since then, Chile's economic fortunes have been progressively reshaped

https://www.prospectmagazine.co.uk/magazine/thelongpeace, last visited: 30 November 2018.

<sup>&</sup>lt;sup>6</sup> Cooper, R., 'The long peace', *Prospect*, 20 April 1999, available at:

<sup>&</sup>lt;sup>7</sup> For the first use of this term, see: 'Whither China? From Membership to Responsibility', *National Committee on United States – China Relations: Newsletter*, 21 September 2005, available at:

https://www.ncuscr.org/sites/default/files/migration/Zoellick\_remarks\_notes06\_winter\_spring.pdf, last visited: 23 May 2019.

For a good example of this kind of thinking, see: Leonard, M., Why Europe will run the 21st Century (London: Fourth Estate, 2005) and Fettweis, C., 'Revisiting Mackinder and Angell: The Obsolescence of Great Power Geopolitics', Comparative Strategy, 22:2 (2003).

<sup>&</sup>lt;sup>9</sup> See: Campbell, K. M. and Ratner, E., 'The China Reckoning: How Beijing Defied American Expectations', *Foreign Affairs*, March/April 2018, available at: https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning, last visited: 23 May 2019.

<sup>&</sup>lt;sup>10</sup> Andrew Lambert, the Laughton Professor of Naval History in the Department of War Studies, King's College London, describes 'continentalisation' as the attempt made by continental powers – such as China – to generate overlapping land-based military infrastructure to gain control over adjacent maritime spaces, such as the South and East China seas. See: Lambert, A., Seapower States: Maritime Culture, Continental Empires and the Conflict that Made the Modern World (New Haven: Connecticut, 2018), p. 318.

<sup>&</sup>lt;sup>11</sup> Penny Mordaunt, the UK Secretary of State for Defence, explained in her keynote speech in May 2019 that we live in an increasingly "uncertain and a challenging world...a world that is becoming increasingly complex...the challenge of China rising...the threat from a Russia resurgent...the ever-changing shape of violent extremism and terrorism...the growth of cyber threats...and organised crime. The grey areas of new weapons and new theatres. There are huge challenges ahead of us, and there will be many demands made of us." For the full speech see: Mordaunt, P., 'Defence Secretary keynote speech at the Sea Power Conference 2019', Gov.uk, 15 May 2019, available at: https://www.gov.uk/government/speeches/defence-secretary-keynote-speech-at-the-sea-power-conference-2019, last visited: 23 May 2019.

<sup>12 &#</sup>x27;Where did Chile export to in 1989?', Atlas of Economic Complexity, 2019, available at:

http://atlas.cid.harvard.edu/explore/?country=42&partner=undefined&product=undefined&productClass=SITC&startYear=undefined&target=Partner&year=1989, last visited: 23 May 2019.

by the rise of the vast maritime space to the west, not least as the Asia-Pacific has consolidated its position as the world's centre of economic gravity. As shown in Appendix A, the Asian and Oceanian members of APEC have grown from consuming 28% of Chilean exports in 1989 to 48% in 2016. Indeed, Chile exported more to China than it did to the whole of Europe in 2016 and more to Japan and South Korea than it did to the whole of South America. Moreover, as shown in Appendix A, the Asian and Oceanian APEC members have become an increasingly important source for Chile's imports: over 32% of the country's imports came from those members in 2016, up from just 19% in 1989. Indeed, the economic rise of APEC is likely to further compound Chile's economic transition from a South American country with a European perspective to a fundamentally Asia-Pacific nation.

However, although the Asia-Pacific region's economic maturity offers Chile additional economic opportunities, it is also beginning to present new strategic challenges. It is possible that the structural changes in the global economy that have facilitated Chile's economic realignment and development in recent years are likely to come increasingly into question. As countries like China attempt to translate their economic weight into strategic heft, and ultimately geopolitical reach, the economic and geopolitical structures of the Asia-Pacific region may run increasingly in disalignment with one another. Indeed, should China challenge the US for regional primacy in the coming decades, the two giants may 'decouple' economically from one another, sending shockwaves through the entire Asia-Pacific region, as well as the wider global economy. Here, the looming trade conflict between Beijing and Washington, best symbolised by America's decision to place the Chinese telecoms company Huawei on its 'Special Entities' list, is indicative of the shape of things to come. This emerging environment is increasingly ripe both for full-blown geoeconomic and geopolitical competition, which will affect all surrounding countries.

#### 1.2 Objectives

This is the second part of a two-part series designed to 'audit' the geopolitical capabilities of the countries within Chile's geographic neighbourhood, which comprises everything on either side of the Pacific Ocean. It defines geopolitical capability as the potential ability of a country to use a broad range of resources, structures, instruments and resolve to overcome the 'tyranny of distance' and influence physical space, including counterparts located within that space

Building on the first part of this study – the geopolitical capabilities of South America – this second part focuses on Chile's 'extended neighbourhood', the Western Pacific, namely the

<sup>13</sup> ibid.

<sup>&</sup>lt;sup>14</sup> For more on this concept, see: 'China and America – The Great Decoupling?', *Enodo Economics*, 2019, available at: https://enodoeconomics.com/thegreatdecoupling, last visited: 23 May 2019.

<sup>&</sup>lt;sup>15</sup> See: Sevastopulo, D., Stacey, K. and Liu, N., 'Donald Trump issues executive order laying ground for Huawei ban', *Financial Times*, 15 May 2019, available at: https://www.ft.com/content/c8d6ca6a-76ab-11e9-be7d-6d846537acab, last visited: 23 May 2019. See also: Seely, B., Varnish, P. and Hemmings, J., 'Defending our data: Huawei, 5G and the Five Eyes', The Henry Jackson Society (2019), available at: https://henryjacksonsociety.org/wp-content/uploads/2019/05/HJS-Huawei-Report-A1.pdf, last visited: 23 May 2019.

members of APEC. This audit has additional resonance given that Chile is hosting the APEC Annual Summit in November 2019.

Aside from this first section – the introduction – and the appendixes at the end, this report contains seven key sections. The next section, Section 2, focuses on the region of analysis, namely the Asia-Pacific zone, as defined by APEC. Section 3 reviews and critiques 'established' methods for assessing the types of capability of various countries, before explaining the reasoning behind the Audit of Geopolitical Capability. Sections 4 and 5 provide the framework and outline the methodology used by the audit. Section 6 classifies each of the APEC members, before reviewing their relative performance and position using the framework and methodology. And the final section offers a number of conclusions.

## 2. Asia-Pacific Economic Cooperation (APEC)

APEC is a regional economic forum formed towards the end of the Cold War (in 1989), just as the Asia-Pacific region was starting to emerge as a more integrated economic space. The idea for the organisation was first put forward by Bob Hawke, in his capacity as Prime Minister of Australia, on 31 January 1989, with the first meeting being held in Canberra in November of the same year. The organisation began with 12 participating economies and a secretariat in Singapore to provide administrative coordination and support.

As Figure 1 shows, APEC's original membership has grown over the years to reach 21 'member economies', including all the major economies surrounding the Pacific Ocean, as well as a number of developing economies.

Figure 1: Members of APEC

Australia	Brunei	Canada	Chile
China	Hong Kong	Indonesia	Japan
Malaysia	Mexico	New Zealand	Papua New Guinea
Peru	Philippines	Russia	Singapore
South Korea	Taiwan	Thailand	United States
Vietnam			

APEC is concerned primarily with economic issues. Its stated aim is for its members to work towards the goal of free and open trade and investment in the Asia-Pacific region by 2020, as well as fostering a more effective regional community to address the economic and social challenges raised by development. APEC's agenda is based on 'three pillars': trade and investment liberalisation; business facilitation; and economic and technical cooperation.<sup>16</sup>

#### 2.1 The 2019 Annual Summit

APEC holds an Annual Summit for heads of government, with the location of the summit rotating between each member economy. First initiated by Bill Clinton, while President of the US, the first summit was held in 1993 to provide APEC with informal political direction.

<sup>&</sup>lt;sup>16</sup> 'What is APEC?', Asia-Pacific Economic Cooperation, 2019, available at: https://www.apecchile2019.cl/apec/about-apec, last visited: 23 May 2019.

In 2019, Chile will host the APEC Annual Summit, which will include the theme 'Connecting people, Building the future'.<sup>17</sup> Consequently, Chile has outlined the following priorities for the organisation over the course of 2019:

- Digital Society, to "utilise the digital economy to drive the democratisation of participation";
- **Integration 4.0**, to "the foundation for the fourth industrial revolution, which anticipates a digitalised world with adjusted perceptions of time and space";
- **Inclusive Growth**, to "attract, retain and promote talented women in industries traditionally dominated by men, like mining, transportations and energy";
- Sustainable Growth, to "combat illegal fishing", prevent and reduce marine debris, and promote sustainable energy and smart cities.<sup>18</sup>

A geopolitical audit of APEC's members is useful to ascertain where each participant stands in relation to Chile's priorities for the 2019. For example, the audit's final score includes indicators that reflect the use and spread of modern telecommunications, which are valuable in assessing the extent to which each member has progressed towards becoming a 'digital society'. Likewise, the audit includes metrics to assess each APEC member's participation in international associations and the complexity and extent of every economy's transport infrastructure – road, rail, merchant marine and air communications – which together indicate the capacity each member has to engage with those around it in the course of trade and economic integration. Similarly, the audit includes indicators looking at the political and media freedoms in each APEC member to ascertain creativity and the rights of women, minorities and other groups. And measures designed to assess each member's research and development spending can reveal their ability to grow in a sustainable fashion through the development of new technology.

A geopolitical audit is also useful for reasons beyond the fact that Chile is hosting the organisation's Annual Summit in 2019 and because APEC forms part of the country's extended neighbourhood. APEC represents a growing concentration of regional power, with increasingly global reach. Today, APEC's member economies produce 58% of global GNI; contain over 60% of net world wealth; and represent over 35% of the world's population. In addition, APEC includes:

Three permanent members of the United Nations Security Council;

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<sup>&</sup>lt;sup>17</sup> 'APEC Trade Ministers Issue Statement', Asia-Pacific Economic Cooperation, 18 May 2019, available at: https://www.apecchile2019.cl/apec/media/news/apec-trade-ministers-issue-statement, last visited 23 May 2019.
<sup>18</sup> 'Priorities for APEC Chile 2019', Government of Chile, 2019, available at: https://www.apecchile2019.cl/apec/apecchile/priorities-apec-2019, last visited: 23 May 2019.

<sup>&</sup>lt;sup>19</sup> For APEC's share of World Wealth (Net), see: 'Global Wealth Databook', Credit Suisse (2018), available at: https://www.credit-suisse.com/media/assets/corporate/docs/about-us/research/publications/global-wealth-databook-2018.pdf, last visited: 23 May 2019, pp. 19-22. For APEC's share of World Population, see: 'Population, total', *The World Bank*, 2019, available at: https://data.worldbank.org/indicator/SP.POP.TOTL?end=2017&locations=AU-BN-ID-KR-MY-NZ-PH-SG-TH-HK-MX-PG-CL-PE-VN-JP-CN-US-CA&start=1960, last visited: 23 May 2019.

- Six of the ten biggest military spenders in the world;<sup>20</sup>
- Eight of the world's twenty largest countries by land area.<sup>21</sup>

Moreover, aside from the economic and geopolitical significance of its members, APEC has additional geopolitical importance because it is the only international association to cover most of the Asia-Pacific region. While attention has been focused on the rise of the so-called 'Indo-Pacific' zone since former US President Barack Obama announced his country's 'pivot' or 'rebalance' to the region, the connection of the Americas – not least South America – with Asia or the 'Indo-Pacific' has been largely overlooked. This makes little sense, not least as countries in South America are becoming increasingly important to the region in their own right.

<sup>&</sup>lt;sup>20</sup> The Military Balance 2018 (London: International Institute for Strategic Studies, 2018).

<sup>&</sup>lt;sup>21</sup> 'Land Area', CIA World Factbook, 2018, available at: https://www.cia.gov/library/publications/the-world-factbook/rankorder/2147rank.html, last visited: 23 May 2019.

# 3. The Challenge of Assessing National Capability

The relative strength of geopolitical entities – city states, empires, nation-states, and so on – in the global system has long preoccupied strategic analysts. It was not, however, until the 19th century that a more systematic attempt was made to explain the differences in national power. Although Lord Castlereagh, the British Foreign Secretary, was the first to use the term 'great power', it was Leopold von Ranke, the German historian, who first attempted to explain how some countries are qualitatively different to others in terms of national capability. Von Ranke argued that the most important distinction was between those countries that could "maintain" themselves "against all others, even when they are united", and those that could not. Was his test of whether or not a country could claim great power status, or be recognised as such by other countries. Granted, this was an exceptional trial, but not unreasonable given the context of the time – a period of extreme geopolitical struggle. Indeed, all the pretenders to great power status were put to von Ranke's test during the late 19th and early 20th centuries, with most found wanting: France failed in 1871; the Austro-Hungarian, Russian, German and Ottoman empires were all dissolved during the First World War; and the Third Reich and Japan were in ruins by the end of the Second.

#### 3.1 The Impact of 'Gadget' (1945-)

In 1945, only three powers were left in the ring: the Soviet Union (USSR), the UK and the US. The year before, Nicholas Spykman and William Fox, both scholars at the Yale Institute of International Studies, described the three countries as "super-powers" – countries with the capacity to mobilise resources on a truly vast scale and deploy them globally in pursuit of their interests – setting them apart from other great powers in a historical context.<sup>24</sup> The acquisition of atomic weapons by the US in 1945, followed by the USSR in 1949 and the UK in 1952, only appeared to compound the trio's position. Automatically, this gave their owners the means to defend themselves 'against all others, even when they are united' in a way that no other weapon had ever done. However, as the yields of nuclear weapons grew ever larger, and as arsenals grew in size, strategic analysts came to believe that only large continental states would be able to defend themselves and their interests in the event of superpower war, meaning that geographically smaller nuclear powers like the UK would slip into a second tier.<sup>25</sup>

In no small way, this perception seems to have given impetus to one of the first 'scientific' attempts to study national capability, by the Correlates of War Project at the University of Michigan in the early 1960s.<sup>26</sup> This resulted in the 'Composite Index of National Capability'

<sup>&</sup>lt;sup>22</sup> Lord Castlereagh, a former British Foreign Secretary, is widely credited with having first used the term "great Power" in diplomatic correspondence in 1814. See: Webster, C. (ed.), *British Diplomacy* 1813–1815: Selected Documents Dealing with the Reconciliation of Europe (London: G. Bell and Sons Ltd., 1921), p. 307.

<sup>&</sup>lt;sup>23</sup> Cited in: Von Laue, T.H., Leopold von Ranke: The Formative Years (Princeton: Princeton University Press, 1950), p. 203.

<sup>&</sup>lt;sup>24</sup> Spykman, N., Geography of the Peace (New York City: Harcourt Brace and Company, Inc., 1944), Fox, W. T. R., The Super-Powers: The United States, Britain, and the Soviet Union – Their Responsibility for Peace (New York City: Harcourt Brace and Company, Inc., 1944) and Fox, W.T.R., The super-powers then and now, International Journal 35:3 (1980).

<sup>&</sup>lt;sup>25</sup> Baylis, J., British Defence Policy: Striking The Right Balance (New York: Palgrave Macmillan, 1989).

<sup>&</sup>lt;sup>26</sup> Singer, J.D., Stuart Bremer and John Stuckey, 'Capability Distribution, Uncertainty, and Major Power War, 1820–1965', in Russett, B. (ed.), *Peace, War, and Numbers* (Beverly Hills, California: Sage, 1972).

(CINC), comprised of six key indicators – Population (PO), Urban Population (UP), Iron and Steel Production (ISP), Primary Energy Production (PEP), Military Expenditure (ME) and Military Personnel (MP) – that ascertain each country's power, expressed using the following formula:

$$Power = \frac{PO + UP + ISP + PEP + ME + MP}{6}$$

Despite its theoretical elegance, it remains an open question as to whether this system manages to accurately 'capture' the capability of nations (see Appendix B). Less importantly, the CINC equates national capability with power, ignoring the importance of national resolve and national strategy, which are needed to transform national capabilities into strategic effect. More importantly, the CINC focuses on the foundations of national capability and tends to ignore national structures, thus prioritising the latent capability of large continental states to the detriment of smaller but nimbler powers (for example, the latest Composite Index of National Capability ranks China as the world's leading power – see Appendix B). Moreover, the CINC places undue emphasis on military capability, while ignoring other tools and instruments, which increased in importance in the context of nuclear conditions.

This is problematic, counter-intuitively, because it became clearer during the 1970s that a new generation of nuclear delivery systems might reduce the initial advantages afforded to the American and Soviet superpowers. The advent of submarine-launched ballistic missiles with intercontinental range, armed with multiple independent re-entry vehicles (MIRVs), gave their holders – no matter how large their nuclear weapons inventory – the ability to inflict near-certain and long-lasting destruction on any potential enemy.<sup>27</sup> Accordingly, with guaranteed 'second-strike' systems, smaller nuclear powers – such as the UK and France – gained a strategic capability (the ability to deter) that reduced the superpowers' geographic depth and strategic mass.<sup>28</sup>

#### 3.2 The Emergence of 'Cold War'

But, more significantly, while rendering 'vertical' escalation – and thus, major war – increasingly perilous, the *Pax Atomica* did not prevent (indeed, it may have even facilitated) 'horizontal' escalation.<sup>29</sup> This had two important implications: firstly, under nuclear conditions, countries – especially the major powers – looked for new ways to compete for influence, meaning that other forms of national capability besides those of warfighting grew steadily in importance. These included economic, political, ideological and cultural

<sup>&</sup>lt;sup>27</sup> As Kenneth Waltz, then Ford Professor of Political Science at the University of California, Berkeley, explained: "the question is not whether one country has more [warheads] than another but whether it has the capability of inflicting 'unacceptable damage' on another, with unacceptable damage sensibly defined. Once that capability is assured, additional strategic weapons are useless. More is not better if less is enough." See: Waltz, K., 'The Spread of Nuclear Weapons: More May Be Better', Adelphi Papers 21:171 (1981).

<sup>&</sup>lt;sup>28</sup> Baylis, J., British Defence Policy: Striking the Right Balance (New York City: St. Martin's Press, 1989), p. 122.
<sup>29</sup> Notably, Bernard Brodie, Associate Professor of International Relations at Yale University, appears to have understood the long-term implications of nuclear proliferation and development as early as 1946 when he declared that: "Thus far the chief purpose of our military establishment has been to win wars. From now on its chief purpose must be to avert them. It can have almost no other useful purpose." See: Brodie, B., The Absolute Weapon: Atomic Power and the World Order (New York City: Harcourt, Brace and Co., 1946), p. 76.

instruments, as well as military tools for the support of allies and the encirclement of rivals. Secondly, rather than moving from periods of 'peace' to phases of 'war', confrontation grew 'colder', waged through a plethora of proxy conflicts involving smaller powers and non-state actors in such a way as to avoid ascending the escalatory ladder.<sup>30</sup> Consequently, the strategic environment envisaged for national engagement and competition should not be conventional war, as envisaged by the CINC, but rather a different but more long-lasting form of strategic confrontation – a 'cold war' – in which a far broader array of national capabilities come into play. Strategic interaction becomes increasingly 'hybrid' and 'non-linear', potentially without end.<sup>31</sup>

Rightly, attempts to assess the overall capability available to various countries have evolved since the development of the CINC. Two notable systems have been developed over the past decade, based on a range of different indicators. The Madrid-based think tank Elcano Royal Institute's annual 'Global Presence Index' is one such example, while the London-based political consultancy and public relations agency Portland's annual 'Soft Power Index' is another (see Appendix B).<sup>32</sup> The former aims to measure each country's 'global presence', while the latter seeks to assess the so-called 'soft power' (i.e. the ability to attract) of thirty different countries.<sup>33</sup>

However, while both the 'Soft Power' and 'Global Presence' indexes solve, albeit partially, the first problem with the CINC (i.e. that other forms of capability are important), neither is useful for solving the second. Both pay little attention to the nature of the strategic environment in which countries are located.<sup>34</sup> This is increasingly problematic because 'cold war' appears to be emerging once again, particularly in the Asia-Pacific region. China's regional expansion through the 'Belt and Road Initiative' and ongoing attempts to 'continentalise' the South China Sea, along with the respective responses of countries like the US, Japan and Australia, shows that geopolitics has not subsided. Indeed, 'cold war' may be re-emerging once again.

<sup>&</sup>lt;sup>30</sup> The words of General Sir Nicholas Carter, Chief of the UK Defence Staff, have some resonance here: "States have become masters at exploiting the seams between peace and war. What constitutes a weapon in this grey area no longer has to go 'bang'. Energy, cash – as bribes – corrupt business practices, cyber-attacks, assassination, fake news, propaganda and indeed military intimidation are all examples of the weapons used to gain advantage in this era of 'constant competition'... The deduction we should draw from this is that there is no longer two clear and distinct states of 'peace' and 'war'; we now have several forms." See: Carter, N., 'Dynamic Security Threats and the British Army', Royal United Services Institute, 22 January 2018, https://rusi.org/event/dynamic-security-threats-and-british-army, last visited: 23 May 2019.

<sup>31</sup> For examples of such confrontation, see: Rogers, J. and Andriy Tyushka, 'Hacking in the West: Russia's "anti-hegemonic drive" and the strategic parastive offencies'. Persone Strategic Communications 2:1 (2017): Rogers, L. and Andriy Tyushka

drive" and the strategic narrative offensive', Defence Strategic Communications 2:1 (2017); Rogers, J. and Andriy Tyushka, 'Russia's "Anti-hegemonic" Offensive: A New Strategy in Action', *Diplomaatia*, December 2016, available at: https://www.diplomaatia.ee/en/article/russias-anti-hegemonic-offensive-a-new-strategy-in-action, last visited: 23 May 2019. <sup>32</sup> For the Global Presence Index, see: 'Elcano Global Presence Index', *Elcano Royal Institute*, 2018, available at: http://www.globalpresence.realinstitutoelcano.org/en/, last visited: 23 May 2019. For the Soft Power Index, see: 'The Soft Power 30', *Portland Communications*, 2018, available at: http://softpower30 com\_last visited: 23 May 2019

Power 30', Portland Communications, 2018, available at: http://softpower30.com, last visited: 23 May 2019.

33 For more on 'soft power', see: Nye, J., Soft Power: The Means to Success in World Politics (New York City: Public Affairs, 2004), p. 5.

<sup>&</sup>lt;sup>34</sup> For example, the 'Soft Power Index' ignores 'hard' (coercive) power altogether, while the 'Global Presence Index' merely counts various forms of military equipment – warships, aircraft, etc. – to indicate military presence. However, although one country might have ten more frigates than another, for example, it does not mean it has greater presence. Those vessels may be smaller, technologically inferior, and/or unable to operate at range. See: 'Methodology: What is the Elcano Global Presence Index?', *Elcano Royal Institute*, 2018, available at: http://www.globalpresence.realinstitutoelcano.org/en/methodologic, last visited: 23 May 2019.

# 4. The Audit of Geopolitical Capability

The problems with existing indices provide the backdrop for the development of the Henry Jackson Society's Audit of Geopolitical Capability. Developed during 2018, the audit was designed to provide an improved system to measure and assess comprehensively the relative geopolitical capability of any country, not least under prevailing international conditions. The audit defines 'geopolitical capability' as the potential ability of a country to overcome the 'tyranny of distance' and influence physical space, including counterparts located within that space. An initial audit of the countries of the Group of Twenty (G20) was undertaken, with the addition of Nigeria, the largest economy and most populous country in Africa. With minor modifications, the audit's assessment system can be applied to other groups of countries, such as the members of APEC.

#### 4.1 The Audit's Framework

As Figure 2 shows, the Audit of Geopolitical Capability is organised around four functional 'attributes': 'national base', 'national structure', 'national instruments' and 'national resolve', which organise, in turn, a plethora of pillars and indicators.

These attributes have been constructed to define the building blocks of geopolitical capability for any country:

- National base captures the underlying and largely unchangeable foundations of national capability, from which any country must draw to generate the structures and instruments to protect and/or extend both itself and its interests;
- National structure captures the 'infrastructure' of national capability, i.e. those structures developed to draw off the national base, to generate deployable capabilities and instruments;
- National instruments capture the diplomatic and military tools generated by the national structure for self-defence and to facilitate engagement with the wider world;

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<sup>&</sup>lt;sup>35</sup> Rogers, J., 'Audit of Geopolitical Capability: An Assessment of Twenty Major Powers', *The Henry Jackson Society*, January 2019, available at: https://henryjacksonsociety.org/audit/, last visited: 23 May 2019.

<sup>&</sup>lt;sup>36</sup> The 2018 iteration of the Audit of Geopolitical Capability was predicated on an earlier format developed in 2017. This 'pilot' audit divided geopolitical capability into seven different conceptual 'baskets' – 'Geographic Integration', 'Demographic Condition', 'Economic Clout', 'Technological Prowess', 'Diplomatic Leverage', 'Military Strength' and 'Cultural Prestige' – in order to measure overall national geopolitical potential. These seven baskets each included five indicators, themselves comprised of over fifty different components. This early audit included eight major powers: the Permanent Five members of the United Nations Security Council – China, France, Russia, the United Kingdom and United States – alongside three other important countries, namely Germany, India and Japan.

<sup>&</sup>lt;sup>37</sup> For an overview of the tyranny of distance, see: Boulding, K., *Conflict and Defence: A General Theory* (New York City: Harper Torchbooks, 1962), pp. 261-263; Webb, K., 'The Continued Importance of Geographic Distance and Boulding's Loss of Strength Gradient', Comparative Strategy 26:4 (2007). See also: O'Sullivan, P., *Geopolitics* (London: Croom Helm Ltd., 1986), pp. 53-76.

National resolve captures the largely 'intangible' dimension of geopolitical capability,
in terms of the overall efficacy of each central government, as well as its willingness
to uphold specific capabilities to defend itself and affect change at the international
level.

Figure 2: The Framework of Geopolitical Capability (Weights in Percentages)

	ATTRIBUTE 4: NATIONAL RESOLVE (10%)																							
3	1. Go		ernment efficacy 2. Economic resolve (1%)																					
ATTRIBUTE 2: NATIONAL STRUCTURE (40%)											NA	TION		RIBU			(30	%)						
	PILLAR 1: Economic Clout (15%)				Tech Pı	PILLAR 2: PILLA echnological Cultural F Prowess (159 (10%)				al Pi	resti	ge	Di	oloma	LLAR atic L (15%	evera	ge		N	LLAR dilita Migh (15%	ry t			
5. Gravitational pull (1%)	4. Commercial reach (1%)	3. Financial control (1%)	2. Corporate size (2%)	1. National income (10%)	5. Health (1%)	4. Innovativeness (1%)	3. Research outlay (1%)	2. Infrastructure (3%)	1. Knowledge base (4%)	5. Economic allure (1%)	4. Sporting attainment (1%)	3. National appeal (1%)	2. Discursive dominance (2%)	1. Freedom to create (10%)	5. Passport power (1.5%)	4. Developmental capacity (1.5%)	3. Organisational penetration (3%)	2. Diplomatic centrality (3%)	1. Overseas missions (6%)	5. Global reach (1.5%)	4. Military-industrial base (1.5%)	3. Projection forces (3%)	2. Nuclear arsenal (3%)	1. Defence spending (6%)
	ATTRIBUTE 1: NATIONAL BASE (20%)																							
1. National wealth 2. Population structure (6%)						3. National spread 4. Self-sufficiency (3%) (1%)																		

As shown in Figure 2, both national base and national resolve are each comprised of four different indicators, while national structure and national instruments are ordered by five different pillars. The three pillars of national structure are:

- 1. **Economic clout**, which captures the size and strength of the national economic structure;
- 2. **Technological prowess**, which captures the capacity and sophistication of the national structures for research and development;

3. **Cultural prestige**, which captures the ability of the national structure to facilitate creativity and attract other people to the national cause.

Meanwhile, the two pillars of national instruments are:

- 1. **Diplomatic leverage**, which captures the diplomatic tools available to the nation to engage with the wider world;
- 2. **Military might**, which captures the strategic tools available to influence, intervene, dissuade and deter.

Each pillar is then further divided into specific indicators, some of which are then divided into component parts, with each indicator being allocated a specific weight depending on its significance in the generation of national geopolitical capability (see Appendix C for a list of sources).

#### 4.2 Indicators

4.2.1 National Base (Equivalent to 20% of the Total)

This attribute is divided into four indicators:

Indicators (weight)	Justification
a. National wealth (10%)	A high level of net total wealth indicates previous economic dynamism and technological ingenuity.
Net wealth (total, US\$)	It also indicates a robust base from which to draw in the event of emergency conditions, such as geopolitical confrontation.
b. Population structure (6%)	A large and well-structured population indicates the availability of citizens ready for work, both in
<ul> <li>Population size (total)</li> </ul>	the economy as well as government and the
Median age (years)	armed forces.
c. National spread (3%)	The national spread of the country – measured both in terms of its land area and its Exclusive
<ul> <li>Land area (total, km²)</li> </ul>	Economic Zone - indicates the size of the
<ul> <li>Exclusive Economic Zone (to km²)</li> </ul>	tal, resource yield that can be extracted and unleashed to fuel the national structure, particularly the economy.
d. Resource self-sufficiency (1%)	A high degree of self-sufficiency in terms of key resources – energy and food – indicates an
<ul> <li>Energy self-sufficiency (percentage)</li> <li>Food energy supply adequac (percentage)</li> </ul>	advanced energy and/or agricultural sector, as well as autonomy in the production of essential

#### 4.2.2 National Structure (Equivalent to 40% of the Total)

This attribute is divided into three pillars:

#### 4.2.2.1 Economic Clout (Equivalent to 15% of the Total)

This pillar is divided into five indicators:

Indicato	ors (weight)	Justification
•	Gross National Income (total, US\$, Atlas Method)	The size of the national income indicates the overall size and performance of national economic – and to an extent, technological – structures. Gross National Income incorporates both domestic and foreign earnings, better reflecting the total economic yield.
•	Forbes 2000 companies (total) Forbes 2000 companies (average position)	A large number of the most successful corporations in the world headquartered in a country indicates not only the health of its business environment, but also its overall economic strength.
•	ncial control (1%)  Global rank of the capital/ primate city (score)  Foreign Direct Investment (Total net outflows, US\$)	Possession of one of the global economy's leading 'command centres' indicates the existence of both an extensive financial sector (and attendant educational and legal services) and an advanced economy. Meanwhile, a high quantity of outward net foreign direct investment indicates significant control over the economic fortunes of foreign lands.
•	mercial reach (1%)  Merchandise and service exports (total, US\$)	A large quantity of merchandise exports indicates a well-developed industrial sector, while a large amount of service exports indicates the existence of a robust financial sector. In turn, both indicate a country's global commercial reach.
	tational pull (1%)  Net positive migration (total, 2017-2013)	A high level of net positive migration indicates the existence of a powerful and expanding economy, demanding additional new workers. In turn, this results in large remittance flows back to the migrants' homelands, drawing them into the orbit of the migrants' country of residence.

#### 4.2.2.2 Technological Prowess (Equivalent to 10% of the Total)

This pillar is divided into five indicators:

#### Indicators (weight)

#### Justification

#### a. Knowledge base (4%)

- Education Index (score)
- Top 200 universities (total number and average position)
- Think tanks (total)

A country's performance in relation to the Education Index - calculated by the population's mean years of schooling and the expected years of schooling - indicates its overall level of educational attainment. Likewise, a large concentration of the world's top 200 universities indicates the reach and success of a country's tertiary education sector. Meanwhile, a large number of think tanks indicates not only the level of specialist knowledge a country can generate, but also its ability to spread knowledge.

#### b. Infrastructure (3%)

- Level of urbanisation (percentage)
- Transport system
  - Railway density (railways per km<sup>2</sup>)
  - Merchant marine (gross tonnage, total)
  - Commercial air system (passengers carried by national carriers, total)
- Access to communication (score)
- Usage of communication (score)

A 'dense' infrastructure of modern cities and transport systems indicates a high level of technological development. Equally, availability and sophistication of modern communications systems - 4G and broadband services, etc., and the ability of citizens to use them - indicates the level of development of a country's 'knowledge economy', which is widely understood to be critical to its future economic success.

#### c. Research outlay (1%)38

Research and Development Spending (average, US\$, 2016-2012)

The size of Research and Development spending over a five year period indicates the likely scale and dynamism of a country's industrial and technological base.

#### d. Innovativeness (1%)

- Nobel Prizes received in physics, chemistry, medicine and
- Patent applications (average, 2016-2012)

Numerous resident Nobel Prize winners (in chemistry. physics, and medicine physiotherapy) over a sustained period (five years) indicates the degree to which a country physiotherapy (total, 2017-2013) can generate potentially revolutionary new knowledge. Meanwhile, the number of patent and trademarks applied for over a similar period

<sup>38</sup> Given that the data for several countries for this indicator was unavailable for the latest year for which it is produced (2016), an important change has been applied in relation to the original audit methodology. For this indicator, the geopolitical audit of APEC members is based on a five-year average of research and development spending (averaged across the years of available data). This reduces the negative impact on those countries for which data for the latest year was unavailable, while remaining in alignment with the methodological aspect for other indicators (defence spending, etc).

 Trademark applications (average, indicates the size and sophistication of its 2016-2012) engineers and industrial designers.

#### e. Health (1%)

Healthy life expectancy (years)

A long, healthy life expectancy among the national population indicates the existence of an advanced and comprehensive apparatus of sanitation, an extensive system of public health education, and sophisticated and universal health provision.

#### 4.2.2.3 Cultural Prestige (Equivalent to 15% of the Total)

This pillar is divided into five indicators:

#### Indicators (weight)

#### Justification

#### a. Freedom to create (10%)39

- Personal freedom (score)
- Press freedom (score)

The presence of a free and open society – across all levels – indicates the existence of political stability, as well as an environment conducive to the formation of economic wealth, technological innovation and cultural creativity.

#### b. Discursive dominance (2%)

- Top 54 Publishers (total revenue, US\$)
- Top 10 Million websites using the official or national language (total)
- International organisations using the official or national language (total)

The ability to communicate ideas indicates the capacity to spread knowledge and participate in the global competition over ideas and values. Equally, the number of forums – such as websites and international organisations – using the primary national language indicates discursive dominance over the means of communication at the global level.

#### c. National appeal (1%)

- Overseas tourist arrivals (total)
- International students from overseas in tertiary educational institutions (total)

A high number of tourists and foreign students traveling to the national homeland indicates the level of appeal a country possesses at the international level.

#### d. Sporting attainment (1%)

A high FIFA score and, therefore, ranking, and a large take of Gold, Silver and Bronze medals at

<sup>&</sup>lt;sup>39</sup> Another methodological innovation has been applied to this indicator. In the original methodology developed by the Henry Jackson Society, this indicator included a component called 'Internet Freedom'. This component has been removed from the APEC geopolitical audit for the simple reason that one third of the data was unavailable.

•	FIFA ranking (score)
•	Olympic medals (Gold, Silver,
	Bronze) 2016 (score)

the latest Summer Olympic Games indicates a well-resourced and competitive sports community, ready to capture global attention.

#### e. Economic allure (1%)

Top 100 Brands (total value, US\$)

A large concentration of the world's Top 100 brands suggests – aside from economic dynamism – a strong national reputation for industrial design and/or commercial success.

#### 4.2.3 National Instruments (Equivalent to 30% of the Total)

This attribute is divided into two pillars:

#### 4.2.3.1 Diplomatic Leverage (Equivalent to 15% of the Total)

This pillar is divided into five indicators:

Indicators (weight)	Justification				
Overseas missions (6%)     Overseas resident embassies (and high commissions) (total)	The existence of numerous diplomatic missions – embassies and/or high commissions (resident in foreign countries) – indicates an extensive diplomatic portfolio, built up to influence and shape the preferences of other countries.				
b. Diplomatic centrality (3%)	A permanent seat on the United Nations Security Council indicates an elite level of diplomatic standing and the ability to 'veto' unfavourable draft resolutions, irrespective of their international support. Meanwhile, for those non-permanent members, the ability to win an election to sit on the Security Council indicates a high level of diplomatic dexterity and reach.				
Organisational penetration (3%)     Membership of intergovernmental organisations (totals)	Membership of or participation in intergovernmental organisations – federations of organisations, universal membership organisations, intercontinental organisations and regional organisations – reflects a robust desire and ability to reach into the system of global governance.				
<ul> <li>d. Developmental capacity (1.5%)</li> <li>Official Development Assistance (2017-2013, average, US\$)</li> </ul>	A large Official Development Assistance (ODA) budget allocated to international development over a sustained period (five years) not only indicates a high level of economic development				

(only advanced economies may join the

Organisation for Economic Cooperation and Development's (OECD) Development Assistance Committee (DAC)), but also a willingness and capacity to shape the goals of international development and alleviate poverty, with potential positive feedback in terms of global influence and reputation.<sup>40</sup>

#### e. Passport power (1.5%)

 Countries to which a citizen can travel without needing a visa (total) The ability of a country's citizens to travel visa-free to foreign countries indicates an active diplomatic service, as well as a high level of international reach and a solid national reputation.

#### 4.2.3.2 Military Might (Equivalent to 15% of the Total)

This pillar is divided into five indicators:

#### Indicators (weight)

#### Justification

#### a. Defence spending (6%)

• Defence spending (2017-2013, average, US\$)

The amount of money a nation has spent on defence over a sustained period (five years) indicates the likely strength of its armed forces, particularly when viewed alongside other indicators, such as whether it holds a nuclear arsenal and sizeable projection forces (a corresponding and sizeable nuclear arsenal and projection forces indicate the degree to which defence outlay was well-spent or used to quell domestic security problems).

#### b. Nuclear arsenal (3%)

- Deployed warheads (total)
- Reserve warheads (total)
- Second-strike capability (score)
- Striking range (score)
- Delivery platforms (score)
- Nuclear reputation (years)

A nuclear arsenal indicates a country's willingness and ability to take all necessary measures to defend itself and its national interests. A guaranteed second-strike capability indicates not only technical sophistication, but also a robust ability to both dissuade potential opponents and deter enemies.

#### c. Projection forces (3%)

A sizeable naval fleet of large surface combatants indicates whether a country is willing and able to operate 'long-throw' expeditionary operations,

<sup>&</sup>lt;sup>40</sup> Of the APEC members, only six are part of the OECD's DAC: Australia, Canada, Japan, New Zealand, South Korea and the US. However, the OECD also gathers ODA data for Russia.

- Major combatants (total displacement, tonnes)
- Large auxiliary vessels (total displacement, tonnes)
- Average displacement (tonnes)

while a hefty auxiliary fleet indicates an extensive degree of global mobility. Without the means to move military equipment, a country lacks the ability to take war to potential enemies, meaning its service personnel – no matter how extensive – have little role beyond that of static defence or for the purposes of internal security.

#### d. Military-Industrial base (1.5%)

 Top 100 Arms and Military Service Companies (total revenue, US\$) Large annual revenues from the manufacture of military apparatus and equipment indicates the existence of an extensive military-industrial base. A well-oiled military-industrial base indicates a country's ability to defend itself and/or provide its allies with military supplies – potentially locking them into lasting and institutionalised strategic relationships.

#### e. Global reach (1.5%)

- Total overseas military facilities by type (score)
- Spread of overseas military facilities (score)

The existence and upkeep of military bases and logistical facilities in overseas territories and/or foreign countries indicates a country's ability to overcome the 'tyranny of distance' and to project itself around the world. A pervasive military presence in foreign lands indicates, in turn, geopolitical and diplomatic influence over their strategic decisions and autonomy.

4.2.4 National Resolve (Equivalent to 10% of the Total)

This attribute is divided into four indicators:

#### Indicators (weight)

#### Justification

#### a. Government efficacy (7%)

- Effectiveness (score)
- Stability (score)
- Rule of Law (score)
- Lack of Corruption (score)

Government effectiveness and stability, combined with the rule of law and low levels of corruption, indicates a well-designed and durable domestic political architecture. Together, these characteristics indicate a high degree of government efficacy and the ability to implement and execute political decisions.

#### b. Economic resolve (1%)

 Outward Foreign Direct Investment (% of GDP) The quantity of money (when defined as a percentage of national output) a country is prepared to invest overseas is indicative of its resolve to shape and influence the global economic infrastructure and the economic fortunes of foreign nations.

#### c. Strategic resolve (1%)

Defence spending (% of GDP)

The sum of money (when defined as a percentage of national output) a country is prepared to spend on its defence posture is indicative of the degree of strategic influence it seeks in upholding its national interests and in shaping the international order.

#### d. Altruistic resolve (1%)

(% of GNI)

The amount of money (when defined as a percentage of national income) a country is willing Official Development Assistance to spend on international development is indicative of its altruism at the international level.

#### 4.2 Composite Score

The purpose of this framework - comprised of attributes and pillars - is to organise the indicators to provide a composite score for each member of APEC to indicate their overall geopolitical capability. For the purposes of comparison between each APEC member, scores are also provided for each attribute and pillar.

Insofar as it is not possible to determine the absolute geopolitical capability a country could obtain - even a world state could expand its capabilities within its geographic domain (i.e. the Earth) over time - the Audit is predicated on a relative scale. This scale is achieved through a system of 'distance to a referent country', in this case the best-performing APEC member for each component, indicator, pillar and attribute of geopolitical capability, as well as the final score.

Moreover, it is important to reiterate that the overall score does not represent the potential 'warfighting capability' of the APEC members. The weights of the indicators would need to be adjusted to accommodate this kind of geopolitical setting, even if - under the conditions of Pax Atomica - such an environment could actually exist. Instead, the indicators are ranked in importance (see Appendix D), based on a series of consultations held during Autumn 2018, culminating in a workshop at the Forum on Geopolitics at the University of Cambridge in December 2018. Specific weights have been applied to each indicator to capture the importance of that metric under prevailing international conditions, where countries are engaging and competing using a range of different means and tools.

Further, as a gauge of capability and not power, the audit assesses only the potential assets (i.e. capabilities) available to each country: it does not aim to evaluate the resulting power, which can only be measured if understood in relation to a country's strategic national objectives - something that is almost impossible to measure uniformly.

# 5. Methodology

The audit assesses the geopolitical capability available to each member of APEC. It is critical to point out that, owing to a lack of sources, these countries' overseas territories – unless otherwise stated – are generally *not* included in the audit (see Appendix E to see where they *have* been included, and why).<sup>41</sup>

To recap, the audit includes four different attributes, five pillars (which have no relevance for the computation of the scores, but merely act to organise indicators into a defined framework), 33 different indicators and 61 different components to 'frame' and 'capture' each APEC member's geopolitical standing in the early 21st century:

- Attributes represent the foundations of the geopolitical capability of each country in the early twenty-first century, including: national base, national structure, national instruments and national resolve.
- Two attributes national structure and national instruments are subdivided into five pillars, with each being comprised of five indicators. national structure is comprised of the pillars economic clout, technological prowess and cultural prestige, while national instruments is made up of diplomatic leverage and military might. The remaining two attributes national base and national resolve are comprised of four indicators each (see Figure 2). Critically, all indicators are afforded a specific weight (see Appendix D).
- All indicators are based on at least one component, although some indicators are
  composites of several. A component is based on data from a range of official or
  scholarly sources (see Appendix C) and reflects a country's relative position for the
  respective measure (e.g. Gross National Income, population size, etc.).

#### 5.1 Data

The indicators are derived from 1281 components (i.e. 33 indicators, comprised of 61 different components for each of the 21 APEC members) from in excess of 30 official, academic or professional sources, all of which were consulted during March and April 2019.

#### 5.1.1 Data availability

Of the 1281 components within the Audit, complete data for 106 (8.3%) was unavailable or missing at the time of reference (see Appendix F for an overview). Of these, 82 (6.4%) may be considered 'legitimate' omissions, while 24 (1.9%) might be considered 'illegitimate'. Omissions that are legitimate include data for which certain countries are excluded because they lack assets within a specific field of indication (e.g. they have no top universities, brands,

<sup>&</sup>lt;sup>41</sup> However, it is important to stress that, in some cases, the inclusion of overseas territories boosts the capability of the national homeland, if only marginally.

publishers or corporations, etc.). Illegitimate omissions occur where there is simply no available data for the relevant country, even though there should be. If data for an APEC member was unavailable, it was given a score of zero.

Unfortunately, due to its particular status, data for Taiwan was frequently unavailable. This means that Taiwan may be heavily underrepresented in the audit, as well as in some indicators.

#### 5.1.2 Data Quality and Format

Data was drawn from reputable sources, such as international organisations or professional and academic sources with an established reputation, such as the World Bank, the Organisation for Economic Cooperation and Development, and agencies of the United Nations, among others.

Both 'extensive' data (e.g. total population; total number of Forbes 2000 companies; total tonnage of the major combatants in the naval fleet, etc.) and 'intensive' data (e.g. degree of government cohesion; average size of the warships in a naval fleet, median age, etc.) are used in the audit, with the former indicating the overall sum of geopolitical capability and the latter signifying the qualitative aspects. Wherever intensive data has inserted, care has been taken to ensure that the composite score is not skewed heavily against extensive components, which indicate the degree of 'mass' behind each APEC member.

Of all the data, only seven sources can be considered 'subjective'. These include the World Bank's 'Governance Indicators' and Freedom House's indicators for 'Political Freedom' and 'Press Freedom'. Some indicators – such as the 'Global Power Cities Index' – use a combination of "objective" and subjective data. All other indicators are objective.

#### 5.2 Formula for Computing Each APEC Member's Geopolitical Capability

The audit is predicated on the following formula:

c = a country (i.e. an APEC member);

 $S_k(c)$  = a score of national capability attribute k for a country c, k = 1, ..., 4;

 $CI_{kj}(c) =$  a capability indicator j of an attribute k for a country  $c, j = 1, ..., n_k$  (here  $n_k$  denotes the total number of indicators within an attribute k);

 $x_{kji}(c) =$  a component i of a capability indicator j of an attribute k for a country c;  $i = 1, ..., n_{kj}$  (here  $n_{kj}$  denotes the total number of components of an indicator j of an attribute k).

Each component  $x_{kji}(c)$  is an input from a data source. As every component has a different scale, each must be rescaled for the purposes of comparability across countries for attributes, pillars, indicators and components.

Components are scaled with respect to the best-performing country by dividing each country's raw value with that of the best performing country for that component, so that the latter is afforded a value of 100.42

$$x_{kji}^*(c) = \frac{x_{kji}(c)}{\max_{c} x_{kji}(c)} \times 100.$$

The capability indicator j of attribute k for country c can then be calculated as the sum of all its components. As the indicators are of different importance, each is afforded a specific weight (see Appendix D) reflecting their significance relative to the total capability score:

$$CI_{kj}(c) = w_{kj} \times \sum_{i=1}^{n_{kj}} x_{kji}^*(c).$$

Each of the four attributes can then be scored for a country c:43

$$S_k(c) = \sum_{j=1}^{n_k} CI_{kj}(c).$$

For the purposes of presentation, the intermediate results for each pillar are presented separately in Section 6.2 as the sum of the scores of the corresponding indicators.

Based on the scores of the attributes, the total geopolitical capability of each country c is calculated as:

$$GC(c) = \sum_{k=1}^{4} S_k(c)$$

This sum indicates the total geopolitical capability available to each country.

To facilitate comparisons, the geopolitical capability scores are then re-scaled relative to the best performing country:

$$GC^*(c) = \frac{GC(c)}{\max_{c} GC(c)}$$

This delivers the final result. By scoring the countries on a relative 0-100 scale, it becomes easier to compare each country to the leading power, while simultaneously avoiding an abstract and therefore meaningless scale. Therefore, the audit provides a benchmark that can be used to compare all APEC members with one another and to identify their strengths

<sup>&</sup>lt;sup>42</sup> Where a lesser value within the raw data indicates *better* performance for a country (for example, for 'Median age', the lower the value, the higher the score), the raw value is 'inverted' before rescaling with respect to the best-performing country. <sup>43</sup> Where data for a particular country is unavailable (i.e. if a country does not score anything for a particular component), it is awarded 0 for that component.



# 6. Classifying the Geopolitical Capability of APEC's Members

**United States** Superpower 100 Global power China Japan Canada Australia 42,02 Hemispheric power South Korea 37.45 Russia 37.10 New Zealand Chile 31,11 Regional power 29,20 Singapore Indonesia 26,51 - Average 26,33 25,62 Hong Kong Malaysia 25,31 Mexico 24,98 Peru 24,16 Philippines 23.12 20,88 Brunei Thailand 20.37 Vietnam 17.92 Papua New Guinea 16.42 Local power 0 10 20 30 40 70 80 90 100

Graph 1: APEC Members Ranked by Overall Score

As Graph 1 shows (see Appendix G for the complete data tables), in terms of overall geopolitical capability APEC's most capable member is the US – despite recent debate about America's supposed decline. This graph also demonstrates the existence of four additional 'clusters' of APEC members in terms of overall geopolitical capability:

- 1. Those holding in excess of 50% of the leader's geopolitical capability;
- 2. Those holding between 40%-49.9% of the leader's geopolitical capability;
- 3. Those holding between 30%-39.9% of the leader's geopolitical capability;
- 4. Those holding less than 30% of the leader's geopolitical capability.

Consequently, the relative performance of the 21 APEC members can be classified using the following categories:

 Superpower (80%-100%) – A country with a vast national base and enormous national structure, from which to generate overwhelming national instruments and resolve to project and extend itself and its interests – often comprehensively – around the world.

- Global Power (50%-79.9%) A country with a large national base and/or structure, from which to generate extensive instruments and resolve to project and extend itself and its interests – sometimes selectively – around the world.
- Hemispheric Power (40%-49.9%) A country with a significant national base and/or structure, from which to generate substantial instruments and resolve to defend itself and its interests, primarily within its own hemisphere.
- Regional Power (30%-39.9%) A country with a moderate national base and/or structure, from which to develop modest instruments and resolve to defend itself and its interests, primarily within its own region.
- Local Power (below 30%) A country with a lacking or unharnessed national base and/or structure, from which only weak or uneven instruments and resolve can be generated to try to defend itself and its interests, primarily within its own neighbouring areas.

The average (mean) score for the APEC members is 33.9% of the leading country's geopolitical capability, a threshold that – should it be rounded down to 30% – might be understood to define a power with the means to influence other countries beyond its own immediate vicinity (i.e. regional power status). Chile falls just under the average score, but nevertheless falls into the regional power category due to rounding. Significantly, less than half of the APEC members reach this threshold of relative performance: most remain little more than local powers.

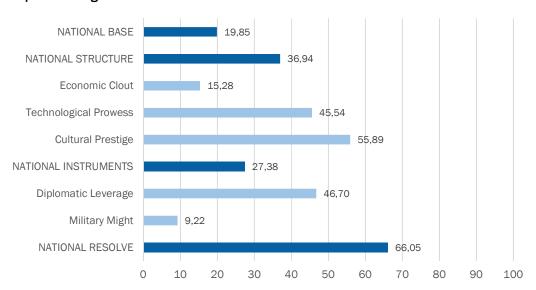
Moreover, of the eight countries that exceed the threshold, all bar two (China and Russia) are developed countries, implying that most members of APEC have some way to go catch up. Even more significantly, four of the eight countries are part of the so-called 'Anglosphere', which also includes the world's only 'superpower' (the US). Consequently, 'anglobalisation' – the term given to the spread of the customs and institutions of English-speaking world – is likely to continue for the foreseeable future.<sup>44</sup>

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<sup>&</sup>lt;sup>44</sup> Ferguson, N.C., Empire: How Britain Made the Modern World (London: Allen Lane, 2003).

#### 6.1 Average Scores for APEC Members

Besides providing an overall score and rank for the 21 APEC members, the audit also provides the ability to compare the performance of countries across every attribute and pillar. Before outlining these results in more detail, it is necessary to point out that performance across the different attributes and pillars is not uniform.



Graph 2: Average Performance across Attributes and Pillars

As Graph 2 shows, the average (mean) level of performance differs quite substantially, with the greatest variation within the attribute 'national structure', where the average performance is 55.89% for cultural prestige and 15.28% for economic clout. There is also a large difference in average performance of APEC's members in national instruments, i.e. between diplomatic leverage and military might.

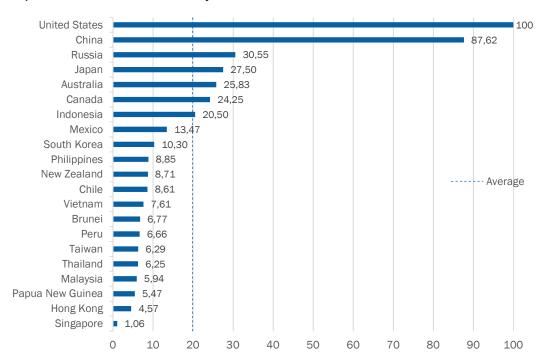
Indeed, there appears to be a correlation between average performance for economic clout and military might, with these two attributes being the hardest for APEC's members to develop and harness.

Consequently, it makes sense to view the performance of each APEC member in relation both to the 'frontier' (i.e. the leader, which is the US for all attributes and pillars except national resolve, where Singapore is the referent country) and the average score for each attribute and pillar of geopolitical capability.

#### 6.2 Attributes and Pillars

#### 6.2.1 National Base

**Graph 3: APEC Members Ranked by National Base** 

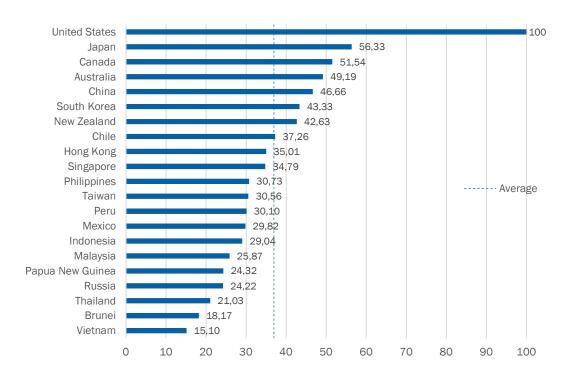


Average Score: 19.9%

As shown by Graph 3, just one third of APEC's members reach the average score for national base. As expected, the largest and/or most populous members – the US and China, followed by Japan, Russia and Indonesia – perform strongly for this attribute, although smaller nations – such as Australia, Canada and South Korea – achieve a high rank due to their levels of 'national wealth'. While Russia – the world's largest and most resource-rich country – performs well in relation to most other APEC members, it trails the leading two powers by some margin. This reflects its ongoing failure to effectively harness its national base and unleash its full (or even, partial) potential. In the long run, if China and Russia can build-up their national structures, their enormous national bases will provide them with the means to catch up with APEC's leading member – the US. Singapore, meanwhile, has a tiny national base, reflecting its small size – it is a city state – and population.

#### 6.2.2 National Structure

Graph 4: APEC Members Ranked by National Structure



Average score: 36.9%

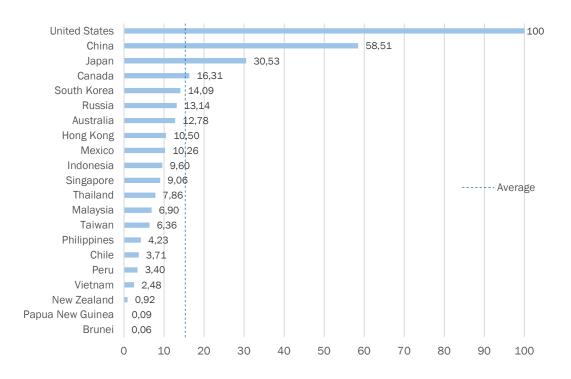
As Graph 4 shows, just over one third of APEC's members have managed to reach the average level of performance for 'national structure'. Chile is closest to meeting the average for this attribute; it hovers just over the threshold. Many APEC members – not least Russia, Indonesia and Mexico, given their size in terms of area and population – have failed to develop national structures with which to unleash their full potential, infringing on their ability to project influence around the world.

It is clear that the US has developed *by far* the most extensive national structure among the members of APEC, looming over all its counterparts. This vast national structure confirms America's status as a superpower: drawing off its vast national base, it provides the industrial, technological and cultural capacity from which it can generate overwhelming national instruments. China still has some way to catch up with the US for this attribute.

Meanwhile, despite its small size and population, it is clear that Singapore has developed a highly sophisticated national structure. This means it outranks several APEC members that are far larger and more populous.

#### a. Economic Clout

Graph 5: APEC Members Ranked by Economic Clout



Average score: 15.3%

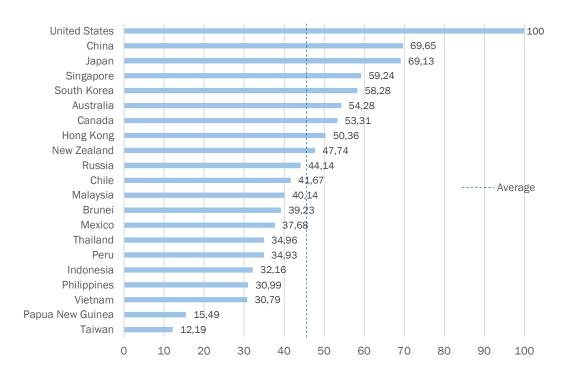
As Graph 5 shows, for this pillar – perhaps the one that matters most to APEC given that it is primarily an economic forum – more than two thirds of APEC members perform below average for this category. This points to the enormous economic clout the US has and suggests that much of the other members' potential remains unlocked. At the same time, it is evidently clear that China looms over all other members (other than the US) in terms of economic clout, possessing almost as much as the next three economies – Japan, Canada and South Korea – put together. Here, it is worth pointing out that although China's economic performance now towers over that of the established Western democracies (other than the US), it still has a long way to go until it reaches parity with the world's only superpower.

Besides the US (which holds a solid lead over China) and China (which looms over all remaining powers), the developed APEC members stand out, including Canada, South Korea and Australia. Despite a large national base from which to extract wealth, Russia performs less robustly than it otherwise might. Chile performs significantly below the average for this pillar, but ranks above Peru, despite the fact that its northern neighbour is a physically larger and more populous.

For their size, the two 'metropolitan' members of APEC – Singapore and Hong Kong – have significant economic clout, reflecting their status as important nodes in the global economic system.

### b. Technological Prowess

Graph 6: APEC Members Ranked by Technological Prowess



Average score: 45.5%

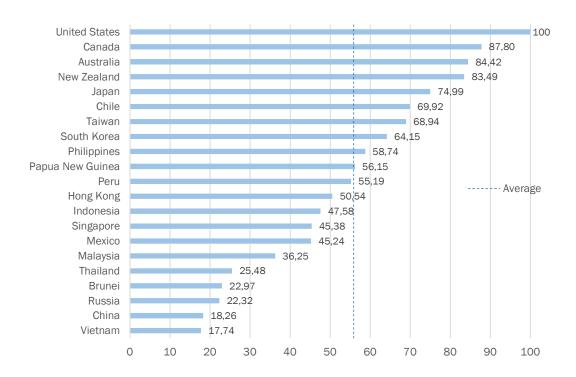
As Graph 6 shows, the average score for this pillar – technological prowess – is higher than for economic clout, although less than half of the APEC members manage to exceed it. In particular, the US lead in terms of technological prowess is far less (though still substantial) than in most other areas of national structure. Equally, despite its recent advances, China still has a great deal of catching-up to do until it reaches parity with America's technological supremacy. Unsurprisingly, Japan, Singapore and South Korea also perform strongly in terms of technological prowess. Chile and Russia appear to have similar technological capacity, despite the fact that Russia is considerably more populous. Taiwan appears to be technologically backward, but this may be deceptive: very few of the data sources used to provide the data for this pillar of national structure were available for Taiwan.

### APEC Annual Summit 2019: Meeting Chile's Priorities (Technology)

In terms of 'Digital Society', 'Integration 4.0' and 'Sustainable Growth' – three of the four priorities established by Chile for APEC in 2019 – it is clear that the majority of APEC members fall below the average level of performance for technological prowess as set by the most advanced members.

### c. Cultural Prestige

Graph 7: APEC Members Ranked by Cultural Prestige



Average score: 55.9%

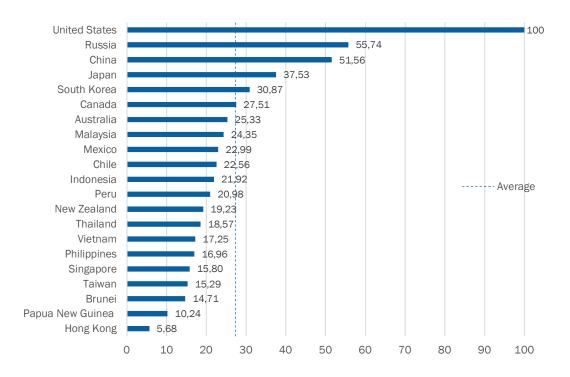
As shown by Graph 7, just under half of APEC's members exceed the average for cultural prestige, a pillar where all English-speaking countries perform strongly, reflecting their high levels of freedom and cultural creativity. The US is again the leader, albeit by a *far* smaller margin. Indeed, the cultural indicators – particularly 'discursive dominance' – reveal that the Anglophone members of APEC have a strong hold over the primary means of global communication and may even be intersecting with one another to further entrench their lead. Besides these English-speaking APEC members, Japan, Chile, Taiwan and South Korea perform robustly in terms of cultural prestige, revealing their political freedoms, creativity and respective 'niches' and/or 'hinterlands' in the wider regional system. Conversely, the authoritarian powers – not least China, Brunei, Russia, and Vietnam – languish at the bottom of the ranking. Even Singapore appears to be held back. After all, repressive controls over personal and press freedom not only intrude on the ability of citizens to unleash their nations' full economic and technological creativity, but also create an atmosphere where political volatility is more likely.

### APEC SUMMIT 2019: Meeting Chile's Priorities (Culture)

In terms of 'Inclusive Growth' – one of the four priorities established by Chile for APEC in 2019 – it is clear that the less democratic APEC members will face severe challenges in improving inclusivity.

#### 6.2.3 National Instruments

**Graph 8: APEC Members Ranked by National Instruments** 



Average score: 27.4%

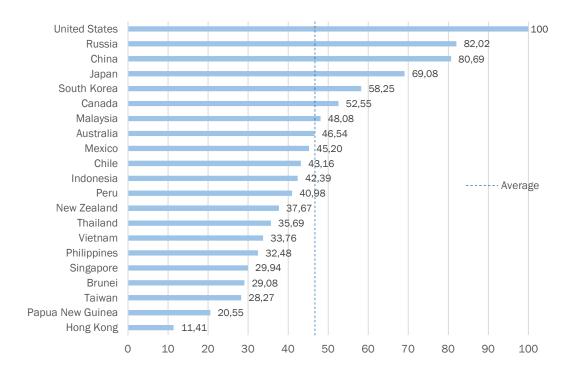
As Graph 8 shows, over two-thirds of APEC members appear to have great difficulty in utilising their national structures to generate national instruments on a scale comparable even to the average. This should come as no surprise: most available national resources are utilised and ploughed back in to develop the national base or improve the national structure. Consequently, three groups of APEC members have established a lead in their ability to generate a more comprehensive set of national instruments:

- 1. Those like the US which can combine highly-developed national structures with vast national bases, both in the diplomatic and military domains;
- 2. Those like Japan, South Korea and Canada with well-developed national bases and national structures, but lacking in mass; and,
- 3. Those like Russia which live, in part, off the residue of past-superpower status.

Equally, China has a strong position, reflecting its growing ability to generate strong national instruments from its expanding national structures, particularly its economic and technological infrastructure.

### a. Diplomatic Leverage

Graph 9: APEC Members Ranked by Diplomatic Leverage



Average score: 46.7%

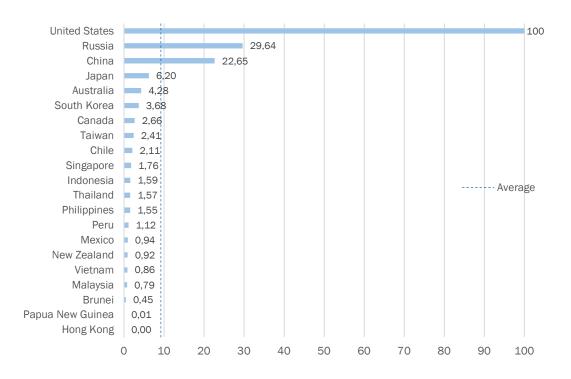
As shown by Graph 9, only one third of APEC members manage to perform better than the average for diplomatic leverage, with Australia best representing the average score (though marginally failing to reach it). Unsurprisingly, the US looms above all other APEC members, although China and Russia also hold a strong lead, reflecting their long-established diplomatic portfolios and status as permanent members of the United Nations Security Council. While lacking in the same degree of diplomatic heft, Japan also stands well above all remaining APEC members, due to its large number of 'overseas missions' and 'developmental capacity'. Japan is followed by a group of distinctly regional powers – such as South Korea and Canada – all with a similar degree of diplomatic presence.

Chile, ranking only marginally behind Mexico, despite being significantly less populous, may otherwise reach the average for diplomatic leverage if Santiago managed to boost its portfolio of 'overseas missions' or gain admission to the DAC (and thus become a provider of ODA).

The smallest countries (city states) and emerging economies sit towards the bottom of the scale in terms of diplomatic leverage, as does Hong Kong. This is because Hong Kong is not a sovereign state but an autonomous region of China, weakening its capacity to perform in most areas of diplomatic leverage.

### b. Military Might

Graph 10: APEC Members Ranked by Military Might

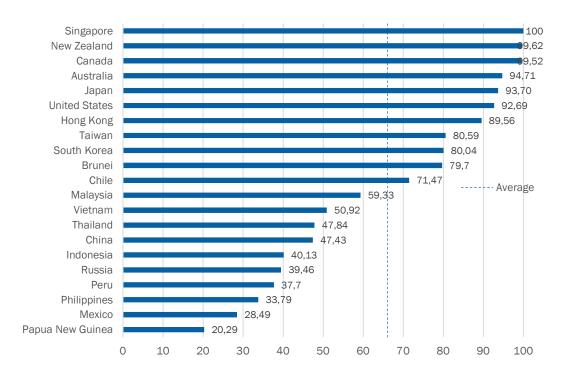


Average score: 9.2%

As Graph 10 shows, over three quarters of APEC members have *extreme* difficulty in generating significant military might from their national structures, with only three exceeding a very low average, a consequence of the overwhelming US lead. In no other area does America – with its vast 'defence budget', 'projection forces' and 'global reach' – loom so far over its fellow APEC members. Beyond the US, the remaining permanent members of the United Nations Security Council stand out, with Russia marginally ahead of China, not least because of its leading nuclear arsenal. Japan and Australia are the only other APEC members with an ability to protect power beyond their homelands, followed by South Korea, Taiwan, Canada and Chile. All other APEC members hold inconsequential military capabilities, although Singapore puts in a strong performance in terms of projection forces (for its size). An autonomous region of China, Hong Kong does not have its own military forces, which is why it scores zero for this pillar.

#### 6.2.4 National Resolve

Graph 11: APEC Members Ranked by National Resolve



Average score: 66.1%

As Graph 11 shows, just over half of APEC's members exceed the average for national resolve, showing that there is greater uniformity between them for this attribute. Although the US performs well, it not only loses its commanding lead over other APEC members – the average level of performance for this attribute is much higher – but also its top position. Instead, a cluster of 'Anglophone' countries led by Singapore take the lead, along with Japan. The next cluster includes well-to-do counties in Asia, led by Taiwan. Chile is the only APEC member in South America that performs close to the English-speaking or wealthy Asian members. Meanwhile, due to their lack of transparent and effective government, Papua New Guinea, Mexico, Philippines, Peru and Russia perform particularly poorly, reducing their ability to mobilise their resources for strategic effect.

#### 6.3 Profiles for Six Selected APEC Members

Through the use of radar charts, it is possible to better identify and compare the APEC members' geopolitical performance. Six APEC members – the US, China, Japan, Australia, Chile and Singapore – have been chosen due to their individuality in terms of capability.

#### 6.3.1 United States



RANK 1 | SCORE 100 – With 'well-rounded' geopolitical capabilities, the US is the only superpower in APEC. It has a vast national base from which to generate wealth, draw resources and sustain a large and productive working population. This national structure underscores an awe-inspiring set of national instruments with which to pursue its global interests. However, if the US wishes to maintain its leading position in the face of a growing competitor with a similarly sized national base – China – it will be forced to work its national structures harder than ever, requiring greater national resolve, especially in terms of government transparency and effectiveness.

### 6.3.2 China



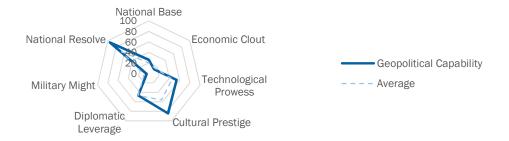
**RANK 2 | SCORE 55.4** – With APEC's largest population and both a national base and structure second only to the US, China has the potential to reach the top spot. However, China still has a long way to go in other areas: lacking in cultural prestige and national resolve – namely, the established freedoms needed to unleash and sustain a creative economy, combined with effective government – the country will be forced to confront an array of problems over the coming years if it wants to assume a more prominent and influential role in the Asia-Pacific.

### 6.3.3 Japan



RANK 3 | SCORE 49.2 – Japan exceeds by some margin the APEC average in every area bar military might. Despite the size of the Japanese national structure – particularly strong in terms of economic clout, technological prowess and cultural prestige – Japan fails to generate the national instruments it might otherwise seek for a power of its size, which would propel it from hemispheric to global power status. However, it remains to be seen if this can be achieved: although Japan is reorienting its navy towards expeditionary capabilities, the country is beset by an ageing and shrinking population, which may continue to hamper its ability to become a global power in the years ahead.

#### 6.3.4 Australia



RANK 6 | SCORE 42.0 - Along with a sizeable but somewhat underdeveloped national base, Australia has a strong cultural prestige and national resolve. Although the world's sixth largest country, Australia has a small population (24.6 million) in comparison to similarly-sized nations. While well-governed, rich and highly developed, Australia's lack of critical mass prevents the country from becoming a globaler. However, Australia has deep links with the US and – outside APEC – the UK, which enhances its regional and global standing. By leveraging its connections to the wider 'Anglosphere', Australia should be able to offset regional economic dependency and exert significant political, economic and cultural influence in the years ahead.

#### 6.3.5 Chile



RANK 9 | SCORE 31.1 – Despite its relatively small size in terms of national base, Chile performs strongly in terms of national resolve and cultural prestige. Chile has a national base well below average for an APEC member, meaning that it manages to 'squeeze' a lot of capability out of its national structures, particularly in terms of technological prowess and cultural prestige. If this can be sustained, Chile may be able to enhance its economic clout to become South America's first fully-developed APEC member. These resources may provide for the development of a greater array of national instruments with which to make Chile's presence felt, with which to consolidate itself as a regional power.

### 6.3.6 Singapore



RANK 11 | SCORE 29.2 – Despite being a relatively small city state perched on the southern tip of the Malay Peninsula, just north of the Strait of Malacca, Singapore performs strongly, particularly in relation to national resolve. Although lacking in democratic standards common to other well-to-do APEC members, Singapore has developed effective government structures, which provide a healthy environment for economic activity. A financial and technological powerhouse, Singapore has the potential to enhance its centrality within the context of South-East Asia and as a hub for the Asia-Pacific.

# Conclusion

The Audit of Geopolitical Capability – based on its four attributes, five pillars, 33 indicators, 61 components (1281 components in total) – provides a potent tool to compare the geopolitical capabilities of all APEC members, shedding light on the character and relative size of their national bases, structures, instruments and resolve.

More importantly, the audit offers an instrument to identify their various strengths and weaknesses, both in an internal and external context, under prevailing geopolitical conditions. Indeed, due to its unique framework and methodology, the audit is constructed to account for the increasingly comprehensive nature of geopolitical competition, waged in the 'grey zone' between 'peace' and 'war', utilising a wide array of national capabilities.

The US still holds a commanding lead over all its APEC partners in all but one area. In particular, by utilising what are perhaps the most sophisticated metrics of economic and military capacity yet developed, 45 the audit has shown that America's economic and military strength are both still very much without equal, revealing the country's unique ability to integrate its resources into the tools of dissuasion, deterrence and attack. As it moves forward, the question is: does Washington have the national resolve to remain actively-engaged in the Asia-Pacific region, or might it lapse back into its North American fortress or falter under the weight of domestic political division?

Regarding China, the audit shows that Beijing – in control of a vast country with 'superpower' potential – towers over every other APEC member. If China continues to grow over the next decade as rapidly as it has over previous decades, it may eventually have sufficient means to challenge the US for regional primacy in the Asia-Pacific. However, China is an 'irregularly-developed' power, with significant structural weaknesses in terms of political freedom and governance. The question is: can China continue to grow, reform and mature simultaneously, without upsetting other major powers in the Asia-Pacific region, which might turn against it? More bluntly, will it become a 'responsible stakeholder' or a rogue, revisionist power?

Moreover, the audit also illustrates that, should they manage to unleash the full potential of their national bases, the less developed APEC members may also be able to close the gap in capability in relation to the their more developed peers, including China. However, this is not a foregone conclusion. The question is: how will they face down the many domestic challenges and draw together and cultivate their capabilities, particularly if the Asia-Pacific region becomes more contested over the decades ahead?

For Chile, the audit shows that the country is well-placed to take advantage of the growing opportunities afforded by the expansion of economic activity in the Asia-Pacific. Although considerably smaller than many larger APEC members, Chile has developed into a highly

<sup>&</sup>lt;sup>45</sup> As indicators of military cyber power are developed, it is intended that future iterations of the Audit will include this increasingly important dimension of military capability. For a good analysis of the need for such an indicator, see: Inkster, N., 'Measuring Military Cyber Power', Survival 59:4 (2017), pp. 27-34.

stable and well-governed country, with high degrees of political freedom and inclusivity. These provide the bedrock for future economic growth and development.

However, China serves as an increasingly powerful economic magnet in the Asia-Pacific region – including for Chile. The question here is: should Chile, like other smaller APEC members, bandwagon with China or begin to put in place measures to reduce potential dependency? One way of preventing over-reliance on Beijing would be to forge closer links with the 'Anglosphere' countries – especially Australia and New Zealand (along with the US and UK) – to tap into their technological prowess and economic clout, while simultaneously developing closer geopolitical links with them. After all, despite their distance from the Chilean Pacific coast, both New Zealand and Australia are Chile's closest large maritime neighbours.

Unfortunately, the audit cannot answer these questions, for it does not – and cannot – account for the changed circumstances in which APEC's members might be forced to act. Nor can it measure the way in which APEC members might develop strategies to transform their geopolitical capabilities into national power. What it can do – and does do – is provide an apparatus to help to explain what capabilities the countries in Chile's extended neighbourhood might have access to as they seek to shape the Asia-Pacific region around them or respond to the strategies of other countries.

In conclusion, the Audit of Geopolitical Capability provides a useful instrument to assess the capability of Chile's extended neighbourhood, i.e. the area covered by APEC. In future years, it could be used to track and monitor the performance of APEC, allowing for comparison across and between four essential attributes of national capability. It also offers a device to understand how the 'established' and 'emerging' powers are likely to wax and wane in relation to one another, how some countries can compensate for their comparatively limited national bases by developing deep and integrated national structures, and how these structures can be used to generate national instruments with which to pursue national interests.

# **Appendix**

# A. Chile's Trade with Other APEC Members, 1989-2016

### Exports, 1989-2016<sup>46</sup>

Partner	Exports 1989 (percentages)	Exports 2016 (percentages)
Australia	0.49	0.57
Brunei	0.00	0.00
Canada	1.60	1.58
China	1.95	28.07
Hong Kong	0.53	1.27
Indonesia	0.75	0.11
Japan	13.81	8.21
Malaysia	0.63	0.18
Mexico	0.51	1.98
New Zealand	0.10	0.12
Papua New Guinea	0.04	0.00
Peru	0.58	2.50
Philippines	0.42	0.09
Russia	N/A	0.86
Singapore	0.94	0.19
South Korea	3.30	6.09
Taiwan	4.73	1.81
Thailand	0.27	0.52
United States	15.84	14.24
Vietnam	0.00	0.33
APEC total	46.49	68.72
APEC Asia total	27.96	48.42

### Imports, 1989-201647

Partner	Imports 1989 (percentages)	Imports 2016 (percentages)
Australia	0.38	0.57
Brunei	N/A	N/A
Canada	1.52	0.95
China	0.95	22.16
Hong Kong	1.37	0.11
Indonesia	0.09	0.25
Japan	10.14	2.89
Malaysia	0.81	0.30
Mexico	1.72	3.10
New Zealand	0.10	0.15
Papua New Guinea	N/A	N/A
Peru	0.96	1.69
Philippines	0.06	0.07
Russia	N/A	0.08
Singapore	0.39	0.12
South Korea	2.69	2.75
Taiwan	1.77	0.45
Thailand	0.05	0.98
United States	21.44	21.81
Vietnam	0.00	1.28
APEC total	44.44	59.71
APEC Asia total	18.80	32.16

<sup>&</sup>lt;sup>46</sup> 'Where did Chile export to in 1989?', Atlas of Economic Complexity, 2019, available at:

http://atlas.cid.harvard.edu/explore/?country=42&partner=undefined&product=undefined&productClass=SITC&startYear=undefined&target=Partner&year=1989, last visited: 23 May 2019 and 'Where did Chile export to in 2016?', Atlas of Economic Complexity, 2019, available at:

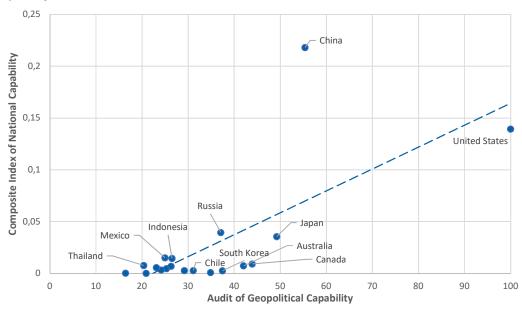
http://atlas.cid.harvard.edu/explore/?country=42&partner=undefined&product=undefined&productClass=SITC&startYear=undefined&target=Partner&year=2016, last visited: 23 May 2019.

<sup>&</sup>lt;sup>47</sup> 'Where did Chile import from in 1989?', Atlas of Economic Complexity, 2019 and 'Where did Chile import from in 2016?', Atlas of Economic Complexity, 2019.

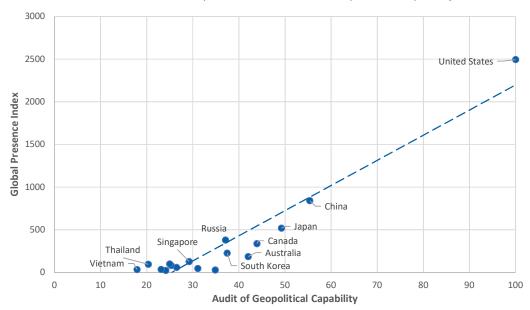
### B. Comparison of Different Capability and Power Indices

Charts A.1, A.2 and A.3 depict each of the major established indices (outlined in Section 1) for measuring or ascertaining the 'national capability', 'global presence' and 'soft power' of the APEC members in relation to the Audit of Geopolitical Capability. These are included to show the similarities and differences between those indices and the Audit.

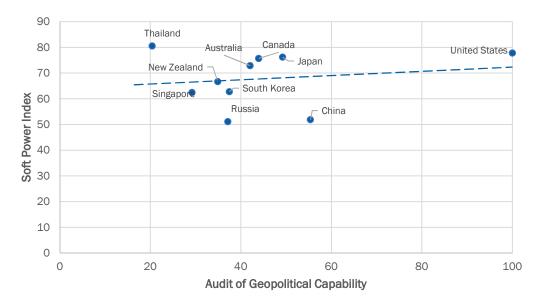
A.1 The Composite Index of National Capability compared to the Audit of Geopolitical Capability



A.2 The Global Presence Index compared to the Audit of Geopolitical Capability



### A.3 The Soft Power Index compared to the Audit of Geopolitical Capability



# C. Attributes, Pillars, Indicators and Components

1. NATIONAL BASE (Weight: 20%)			
Indicator	Components	Source	Date
National wealth	Net wealth (total, US\$)	Credit Suisse	2018
Population structure	Population size (total)	World Bank	2017
	Median age (years)	CIA World Factbook	2018
National spread	Land area (total, km²)	CIA World Factbook	2019
	Exclusive Economic Zone (total, km²)	Marine Regions	2018
Resource self-sufficiency	Energy self-sufficiency (percentage)	International Energy Authority	2016
	Food energy supply adequacy (percentage)	Food and Agriculture Organisation	2017

2. NATIONAL STRUCTURE (Weight: 40%)			
2.1 Economic Clout (We	ight: 15%)		
Indicator	Components	Source	Date
National income	Gross National Income (total, US\$, Atlas method)	World Bank	2017
Corporate size	Forbes 2000 companies (total)	Forbes	2018
	Forbes 2000 companies (average position)	Forbes	2018
Financial control	Global rank of the capital/primate city (score)	Institute for Urban Strategies	2018
	Foreign Direct Investment (Total net outflows, US\$)	World Bank	2017
Commercial reach	Merchandise and service exports (total, US\$)	United Nations Conference on Trade and Development	2017
Gravitational pull	Net positive migration (total, 2017- 2013)	World Bank	2017

2.2. Technological Prowess (Weight: 10%)			
Indicator	Components	Source	Date
Knowledge base	Education Index (score)	United Nations Education, Science and Culture Organisation	2017
	Top 200 universities (total number and average position)	Times Higher Education	2019
	Number of think tanks (total)	Think Tanks and Civil Societies Programme	2018
Infrastructure	Level of urbanisation (percentage)	CIA World Factbook	2018
	Transport system (Railway density (railways per km²), Merchant marine (gross tonnage, total), Commercial air system (passengers carried by national carriers, total))	CIA World Factbook, United Nations Conference on Trade and Development, World Bank	2018-2017

physics, medicine and physiology (total, 2017-2013)  Patent applications (average, 2016-World Intellectual Property 2016-2012)  Organisation				
Research outlay  Research and Development Spending (average, US\$, 2016-2012)  United Nations Education, Scientific and Cultural Organisation  Nobel Prizes received in chemistry, physics, medicine and physiology (total, 2017-2013)  Patent applications (average, 2016-2012)  Trademark applications (average, 2016- World Intellectual Property 2016-2012)  Trademark applications (average, 2016- Organisation)  United Nations Education, Scientific and Cultural Organisation  2018-2013  World Intellectual Property Organisation  2016-2013		Access to communication (score)		2017
(average, US\$, 2016-2012)  Scientific and Cultural Organisation  Nobel Prizes received in chemistry, physics, medicine and physiology (total, 2017-2013)  Patent applications (average, 2016-2012)  Trademark applications (average, 2016-World Intellectual Property Organisation  Trademark applications (average, 2016-Organisation)  Organisation  Scientific and Cultural Organisation  World Intellectual Property Organisation  2018-2012		Usage of communication (score)		2017
physics, medicine and physiology (total, 2017-2013)  Patent applications (average, 2016- World Intellectual Property 2016-2012)  Trademark applications (average, 2016- World Intellectual Property 2016-2012)  Organisation  2016-2012	Research outlay		Scientific and Cultural	2016
2012) Organisation  Trademark applications (average, 2016- World Intellectual Property 2016-2012) Organisation	Innovativeness	physics, medicine and physiology (total,	Nobel Foundation	2018-2013
2012) Organisation			. ,	2016-2012
Health Healthy life expectancy (years) World Health Organisation 2016		11 \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	. ,	2016-2012
	Health	Healthy life expectancy (years)	World Health Organisation	2016

2.3 Cultural Prestige (Weight: 15%)			
Indicator	Components	Source	Date
Freedom to create	Political freedom (score)	Freedom House	2019
	Press freedom (score)	Freedom House	2017
Discursive dominance	Top 54 Publishers (total revenue, US\$)	Publisher's Weekly	2017
	Top 10 million websites using the official or national language (total)	W3Techs	2019
	International organisations using the official or national language (total)	Yearbook of International Associations 2018/2019	2018
National appeal	Overseas tourist arrivals (total)	World Bank	2017
	International students from overseas in tertiary educational institutions (total)	United Nations Education, Science and Cultural Organisation	2016
Sporting attainment	FIFA Ranking (score)	FIFA/Coca-Cola World Ranking	2019
	Olympic medals (Gold, Silver, Bronze) 2016 (score)	British Broadcasting Cooperation	2016
Economic allure	Top 100 Brands (total value, US\$)	Interbrand	2018

3. NATIONAL INSTRUMENTS (Weight 30%)			
3.1 Diplomatic Leverage (Weight: 0.15)			
Indicator	Components	Source	Date
Overseas missions	Overseas resident embassies (and high commissions) (total)	National diplomatic services	2019
Diplomatic centrality	Membership of the UN Security Council (score, 2018-2014)	United Nations Security Council	2019-2015
Organisational penetration	Membership of intergovernmental organisations (total)	Yearbook of International Associations 2018/2019	2018
Developmental capacity	Official Development Assistance (2017-2013, average, US\$)	Organisation for Economic Cooperation and Development	2017-2013

Passport power	Countries to which a citizen can travel visa-free (total)	Henley and Partners	2018
	visa-rree (totai)		

3.2 Military Strength (Weight: 15%)			
Indicator	Components	Source	Date
Defence spending	Defence spending (2017-2013, average, US\$)	The Military Balance 2018, 2017, 2016, 2015, 2014	2018-2013
Nuclear arsenal	Deployed warheads (total)	Federation of American Scientists	2019
	Reserve warheads (total)	Federation of American Scientists	2019
	Second-strike capability (score)	Various	2019
	Striking range (score)	Various	2019
	Delivery platforms (score)	Various	2019
	Nuclear reputation (years)	Various	2019
Projection forces	Major combatants (total displacement, tonnes)	Jane's Fighting Ships 2018-2019	2018
	Large auxiliary vessels (total displacement, tonnes)	Jane's Fighting Ships 2018-2019	2018
	Average displacement (tonnes)	Jane's Fighting Ships 2018-2019	2018
Military-industrial base	Top 100 Arms and Military Service Companies (total revenue, US\$)	Stockholm International Peace Research Institute	2017
Global reach	Total overseas military facilities by type (score)	Various	2019
	Spread of overseas military facilities (score)	Various	2019

4. NATIONAL RESOLVE (Weight: 10%)			
Indicator	Components	Source	Date
Government efficacy	Effectiveness (score)	World Bank	2018
	Stability (score)	World Bank	2018
	Rule of law (score)	World Bank	2018
	Lack of corruption (score)	World Bank	2018
Economic resolve	Outward Foreign Direct Investment (% of GDP)	World Bank	2018
Strategic resolve	Defence spending (% of GDP)	The Military Balance 2018	2018
Altruistic resolve	Official Development Assistance spending (% of GNI)	Organisation for Economic Cooperation and Development	2018

# D. Table of Indicators by Weight

Indicator	Weighting (%)
National wealth	10
National income	10
Freedom to create	10
Government efficacy	7
Population structure	6
Overseas missions	6
Defence spending	6
Knowledge base	4
National spread	3
Infrastructure	3
Diplomatic centrality	3
Organisational penetration	3
Nuclear arsenal	3
Projection forces	3
Corporate size	2
Discursive dominance	2
Developmental capacity	1.5
Passport power	1.5
Military-industrial base	1.5
Global reach	1.5
Resource self-sufficiency	1
Financial control	1
Commercial reach	1
Gravitational pull	1
Research outlay	1
Innovativeness	1
Health	1
National appeal	1
Sporting attainment	1
Economic allure	1
Economic resolve	1
Strategic resolve	1
Altruistic resolve	1
Total	100

#### E. Statement on Overseas Territories

Several APEC members hold overseas territories, including:<sup>48</sup>

Overseas territories of Australia							
Ashmore and Cartier Islands	Christmas Island	Cocos Islands					
Coral Sea Islands	Heard and McDonald Islands Macquarie Island (Tasman						
Norfolk Island							
Overseas territories of China							
Macao							
Overseas territories of the United	States						
American Samoa	Guam	Howland Island					
Jarvis Island	Johnston Atoll	Midway Atoll					
Navassa Island	Northern Mariana Islands	Palmyra Atoll/Kingman Reef					
Puerto Rico	United States Virgin Islands	Wake Island					

However, in most cases, the data is simply lacking or incomplete for each overseas territory for each component, meaning that they cannot be included. In any case, with few exceptions, the APEC members' overseas territories are so small that they would be largely inconsequential if added to each country's overall performance.

That said, in those cases where the data is largely available or where it makes specific sense to include the overseas territories – for example, in 'niche' areas where they add significant value to the APEC members' geopolitical capability – they have been included. The table below explains where they have been included, and why:

Component	Territories included	Notes		
Net wealth (Total, US\$)  China: Macao		Only sizeable overseas territories have been included in the ranking produced by Credit Suisse. Included to improve understanding of the relevant countries' overall score.		
	US: American Samoa, Guam, Northern Mariana Islands, Puerto Rico, United States Virgin Islands			
Population (Total)	China: Macao	Only sizeable overseas territories have been included in the ranking produced by the World Bank. Included to improve understanding of the relevant countries' overall score.		
	United States: American Samoa, Guam, Northern Mariana Islands, Puerto Rico, United States Virgin Islands	France already includes overseas departments.		
Land Area (Total, km²)	Australia: Ashmore and Cartier Islands, Christmas Island, Cocos Islands, Coral	Included to improve understanding of the relevant countries' overall score.		

 $<sup>^{\</sup>rm 48}$  Any sovereign territories in Antarctica are excluded in all cases.

	Sea Islands, Heard Island and McDonald Island, Norfolk Island	
	China: Macao	
	US: American Samoa, Guam, Howland Island, Jarvis Island, Johnston Atoll, Midway Atoll, Navassa Island, Northern Mariana Islands, Puerto Rico, United States Virgin Islands, Wake Island	
Exclusive Economic Zone (Total, km²)	Australia: Christmas Island, Cocos Islands, Heard Island and McDonald Island, Macquarie Island (Tasmania), Norfolk Island (Ashmore and Cartier Islands and Coral Sea Islands are a part of the Australian Exclusive Economic Zone)  US: Alaska, Hawaii, American Samoa, Guam, Howland Island, Jarvis Island, Johnston Atoll, Navassa Island, Northern Mariana Islands, Palmyra Atoll/Kingman Reef, Puerto Rico, United States Virgin Islands, Wake Island	Included to improve understanding of the relevant countries' overall score.
Forbes 2000 Companies (Total)	US: Puerto Rico	All Forbes 2000 companies listed in overseas territories for respective countries have been included. Included to improve understanding of the relevant countries' overall score.
Merchant Marine (Total, gross tonnage)	China: Macao	Only sizeable overseas territories included in the ranking produced by the United Nations Conference on Trade and Development. Included to improve understanding of the relevant countries' overall score.
Olympic Medals (Score)	US: Puerto Rico	All medal winners listed in overseas territories for respective countries have been included. Included to improve understanding of the relevant countries' overall score.

### F. Omissions of Data

The following tables provide an overview of the data omissions: Table 1 outlines 'legitimate' omissions, and Table 2 outlines 'illegitimate' omissions.

Indicator/Component	Country	Reason
Forbes 2000 Companies (Total)	Brunei	Countries do not contain any of the world's top 2000 corporations, as
(Total)	New Zealand	specified by Forbes.
	Papua New Guinea	
Forbes 2000 Companies (Average)	Brunei	Countries do not contain any of the world's top 2000 corporations, as
(Avelage)	New Zealand	specified by Forbes.
	Papua New Guinea	
Financial Control Capital/Primate City	Brunei	Capital/primate cities not large enough to feature on the Institute for
	Chile	Urban Strategies' Global Power City Index.
	New Zealand	midd.
	Papua New Guinea	
	Peru	
	Philippines	
	Vietnam	
Knowledge Base Top 200 Universities	Brunei	Countries do not contain any of the world's Top 200 Universities, as
Top 200 offiversides	Chile	specified by Times Higher Education.
	Indonesia	
	Malaysia	
	Mexico	
	New Zealand	
	Papua New Guinea	
	Peru	
	Philippines	
	Thailand	
	Vietnam	
Discursive Dominance	Australia	

Top 54 Publishers (Total	Brunei	National publishers are not big enough			
revenue, US\$)	Chile	to feature alongside the world's Top 54 Publishers, as specified by Publisher's Weekly.			
	China	T ubilation 3 weekly.			
	Hong Kong				
	Indonesia				
	Malaysia				
	Mexico				
	New Zealand				
	Papua New Guinea				
	Peru				
	Philippines				
	Singapore				
	Taiwan				
	Thailand				
	Vietnam				
Economic Allure Top 100 Brands (Total value,	Australia	National brands are not big enough to feature alongside the world's Top 100			
US\$)	Brunei	Brands, as specified by Interbrand.			
	Canada				
	Chile				
	Hong Kong				
	Indonesia				
	Malaysia				
	New Zealand				
	Papua New Guinea				
	Peru				
	Philippines				
	Russia				
	Singapore				
	Taiwan				
	Thailand				

	Vietnam	
Overseas Missions (Embassies and Commissions, Total)	Hong Kong	Country does not have a Foreign Office.
Developmental Capacity Official Development	Brunei	Countries are not members of the Organisation for Economic
Assistance (ODA) (Total, US\$ 2017-2013)	Chile	Cooperation and Development's  Development Assistance Committee,
2017 2013)	China	meaning that they do not provide Official Development Assistance
	Hong Kong	(ODA).
	Indonesia	
	Malaysia	
	Mexico	
	Papua New Guinea	
	Peru	
	Philippines	
	Singapore	
	Vietnam	
Military-Industrial Base Top 100 Arms and Military	Brunei	Countries do not contain any of the world's Top 100 Arms and Military
Service Companies (Total	Chile	Service Companies, as specified by the Stockholm International Peace
revenue, US\$)	Hong Kong	Research Institute.
	Indonesia	
	Malaysia	
	Mexico	
	New Zealand	
	Papua New Guinea	
	Peru	
	Philippines	
	Taiwan	
	Thailand	
	Vietnam	

Table 2: Illegitimate Omissions								
Indicator	Country							
Population Size (Total)	Taiwan	Data not available.						
Gross National Income (Total, US\$, Atlas Method)	Taiwan	Data not available.						
Foreign Direct Investment (Net outflows, US\$)	Taiwan	Data not available.						
Net Positive Migration (2013-2017)	Taiwan	Data not available.						
Education Index (Score)	Taiwan	Data not available.						
Access to Communication (Score)	Papua New Guinea	Data not available.						
	Taiwan	Data not available.						
Communication Use (Score)	Papua New Guinea	Data not available.						
	Taiwan	Data not available.						
Air Passengers Carried (Total)	Taiwan	Data not available.						
Research and Development Spending	Australia	Data not available (2012, 2014 and 2016).						
(Total, US\$)	Brunei	Data not available.						
	Indonesia	Data not available (2012, 2014, 2015 and 2016).						
	Malaysia	Data not available (2013/2016).						
	New Zealand	Data not available (2012, 2014 and 2016).						
	Papua New Guinea	Data not available (2012, 2013, 2014 and 2015).						
	Philippines	Data not available (2012, 2014, 2015 and 2016).						
	Singapore	Data not available (2015/2016).						
	Taiwan	Data not available.						
Patent Applications (Average 2013-2017)	Taiwan	Data not available.						

Trademark Applications (Average 2013-2017)	Taiwan	Data not available.		
Healthy Life Expectancy (Years)	Hong Kong	Data not available.		
	Taiwan	Data not available.		
Overseas Tourist Arrivals (Total)	Papua New Guinea	Data not available.		
	Taiwan	Data not available.		
International Students from Overseas in Tertiary	Indonesia	Data not available.		
Educational Institutions (Total)	Papua New Guinea	Data not available.		
	Peru	Data not available.		
	Philippines	Data not available.		
	Taiwan	Data not available.		
Military-Industrial Base Top 100 Arms and Military Service Companies (Total revenue, US\$)	China	The Stockholm International Peace Research Institute claims that although "several Chinese arms- producing companies are large enough to rank among the SIPRI Top 100", they have been omitted "because of a lack of comparable and sufficiently accurate data." <sup>49</sup>		

 $<sup>^{\</sup>rm 49}$  'SIPRI Arms Industry Database', Stockholm International Peace Research Institute, May 2019, available at: https://www.sipri.org/databases/armsindustry, last visited: 24 May 2019.

### G. Data Tables

# F.1 Geopolitical Capability of APEC Members (Scores)

APEC Member	National Base	National Structure	Economic Clout	Technological Prowess	Cultural Prestige	National Instruments	Diplomatic Leverage	Military Might	National Resolve	TOTAL SCORE
Australia	0.0386	0.1900	0.0191	0.0524	0.1185	0.0752	0.0688	0.0064	0.0782	0.3819
Brunei	0.0101	0.0702	0.0001	0.0378	0.0322	0.0437	0.0430	0.0007	0.0658	0.1898
Canada	0.0362	0.1990	0.0244	0.0514	0.1233	0.0817	0.0777	0.0040	0.0822	0.3991
Chile	0.0129	0.1439	0.0055	0.0402	0.0982	0.0670	0.0638	0.0031	0.0590	0.2827
China	0.1308	0.1802	0.0874	0.0672	0.0256	0.1531	0.1193	0.0337	0.0392	0.5032
Hong Kong	0.0068	0.1352	0.0157	0.0486	0.0710	0.0169	0.0169	0.0000	0.0740	0.2328
Indonesia	0.0306	0.1121	0.0143	0.0310	0.0668	0.0651	0.0627	0.0024	0.0331	0.2409
Japan	0.0411	0.2175	0.0456	0.0667	0.1053	0.1114	0.1022	0.0092	0.0774	0.4474
Malaysia	0.0089	0.0999	0.0103	0.0387	0.0509	0.0723	0.0711	0.0012	0.0490	0.2301
Mexico	0.0201	0.1152	0.0153	0.0363	0.0635	0.0682	0.0668	0.0014	0.0235	0.2270
New Zealand	0.0130	0.1646	0.0014	0.0460	0.1172	0.0571	0.0557	0.0014	0.0823	0.3170
Papua New Guinea	0.0082	0.0939	0.0001	0.0149	0.0788	0.0304	0.0304	0.0000	0.0168	0.1492
Peru	0.0099	0.1162	0.0051	0.0337	0.0775	0.0623	0.0606	0.0017	0.0311	0.2196
Philippines	0.0132	0.1187	0.0063	0.0299	0.0825	0.0503	0.0480	0.0023	0.0279	0.2101
Russia	0.0456	0.0935	0.0196	0.0426	0.0313	0.1655	0.1213	0.0442	0.0326	0.3372
Singapore	0.0016	0.1344	0.0135	0.0571	0.0637	0.0469	0.0443	0.0026	0.0826	0.2654
South Korea	0.0154	0.1673	0.0210	0.0562	0.0901	0.0916	0.0862	0.0055	0.0661	0.3404
Taiwan	0.0094	0.1180	0.0095	0.0118	0.0968	0.0454	0.0418	0.0036	0.0665	0.2393
Thailand	0.0093	0.0812	0.0117	0.0337	0.0358	0.0551	0.0528	0.0023	0.0395	0.1852
United States	0.1493	0.3862	0.1493	0.0964	0.1404	0.2969	0.1479	0.1490	0.0765	0.9089
Vietnam	0.0114	0.0583	0.0037	0.0297	0.0249	0.0512	0.0499	0.0013	0.0420	0.1629

# F.2 Geopolitical Capability of APEC Members (Relative Scores)

APEC Member	National Base	National Structure	Economic Clout	Technological Prowess	Cultural Prestige	National Instruments	Diplomatic Leverage	Military Might	National Resolve	TOTAL SCORE
Australia	25.83	49.19	12.78	54.28	84.42	25.33	46.54	4.28	94.71	42.02
Brunei	6.77	18.17	0.06	39.23	22.97	14.71	29.08	0.45	79.70	20.88
Canada	24.25	51.54	16.31	53.31	87.80	27.51	52.55	2.66	99.52	43.91
Chile	8.61	37.26	3.71	41.67	69.92	22.56	43.16	2.11	71.47	31.11
China	87.62	46.66	58.51	69.65	18.26	51.56	80.69	22.65	47.43	55.37
Hong Kong	4.57	35.01	10.50	50.36	50.54	5.68	11.41	0.00	89.56	25.62
Indonesia	20.50	29.04	9.60	32.16	47.58	21.92	42.39	1.59	40.13	26.51
Japan	27.50	56.33	30.53	69.13	74.99	37.53	69.08	6.20	93.70	49.22
Malaysia	5.94	25.87	6.90	40.14	36.25	24.35	48.08	0.79	59.33	25.31
Mexico	13.47	29.82	10.26	37.68	45.24	22.99	45.20	0.94	28.49	24.98
New Zealand	8.71	42.63	0.92	47.74	83.49	19.23	37.67	0.92	99.62	34.87
Papua New Guinea	5.47	24.32	0.09	15.49	56.15	10.24	20.55	0.01	20.29	16.42
Peru	6.66	30.10	3.40	34.93	55.19	20.98	40.98	1.12	37.70	24.16
Philippines	8.85	30.73	4.23	30.99	58.74	16.96	32.48	1.55	33.79	23.12
Russia	30.55	24.22	13.14	44.14	22.32	55.74	82.02	29.64	39.46	37.10
Singapore	1.06	34.79	9.06	59.24	45.38	15.80	29.94	1.76	100.00	29.20
South Korea	10.30	43.33	14.09	58.28	64.15	30.87	58.25	3.68	80.04	37.45
Taiwan	6.29	30.56	6.36	12.19	68.94	15.29	28.27	2.41	80.59	26.33
Thailand	6.25	21.03	7.86	34.96	25.48	18.57	35.69	1.57	47.84	20.37
United States	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	92.69	100.00
Vietnam	7.61	15.10	2.48	30.79	17.74	17.25	33.76	0.86	50.92	17.92

# About the Henry Jackson Society

The Henry Jackson Society is a think-tank and policy-shaping force that fights for the principles and alliances which keep societies free, working across borders and party lines to combat extremism, advance democracy and real human rights, and make a stand in an increasingly uncertain world.