

THE ASIA PACIFIC AFTER THE COLD WAR

Address by Senator the Hon Gareth Evans QC, Minister for Foreign Affairs of Australia, to the Indonesia Forum/Asia Society Conference on "Indonesia, Asia Pacific and the New World Order", Bali, 9 August 1993

It was fashionable a few years ago to talk of the world as a 'global village'. Premature optimism, perhaps, except in terms of advances in technology. Certainly in terms of humankind being brought closer together on the political, economic, and security levels, we have not - regrettably - progressed far towards the global village ideal. Indeed, it is a source of despair that in ways that really matter we have slid backwards, as ethnic rivalries and animosities, previously suppressed by the Cold War, have been unleashed on all too many real villages in places like Bosnia and Somalia.

In this uncertain environment, there are few areas of relative calm in the world today. It should be a matter of pride and reassurance to all of us here in the Asia Pacific to be living in what is increasingly becoming a 'regional village', and a model that other regions might well emulate. One cannot of course take the metaphor too far: in many ways ours is a village still at the frontier stage, with not much more than the trade store built. And there remains rather more diversity in the backgrounds and aspirations of the peoples of this region than one would expect to find in an average city, let alone village. But nonetheless there are a number of factors presently at work in this region, producing a steady convergence of those aspirations, and a genuinely growing sense of community.

These are the two themes that I think will dominate in the development of this region in the decades ahead: convergence and community. Neither is new, but I think they are going to increase dramatically in significance.

Convergence. By 'convergence', I am referring essentially to the number of significant ways in which things are being *done* more alike, and the way institutions, practices and outlooks are *becoming* more alike, across national borders: as a result of which countries, cultures and peoples - still different and individual - are becoming much less exotic to each other than has been the case in the past.

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Hardjono in her recent book about Australia, which she called *The White Tribe of Asia*.

The choice of our community boundary is a matter of opting for the particular logically available definition that best meets common interests, and that best advances common objectives. My own preference is squarely for the notion of an *Asia Pacific* community - embracing East Asia, Oceania, and North America. There will always be sub-regions easily definable, and with separate lives of their own, in various contexts, and always other aspirants for inclusion, but the larger *Asia Pacific* region I have defined does have a present day coherence, relevance and momentum that deserves to be recognised and nurtured. That relevance and coherence stems essentially from two considerations - economic and strategic.

Economically, North America remains East Asia's biggest export market (and vice versa), with economic interdependence strengthened all the time by cross investment and technological transfer. There is an overwhelming need for the East Asian economies (and our own) to keep the US economically engaged in the region, and engaged on the basis of genuine commitment to free trade.

Strategically, there is no doubt that US engagement in the region continues to be the basis for the current equilibrium that exists in East Asia and the Pacific. But economic and strategic considerations do overlap. To the extent that there is any threat to the key Japan-US relationship, with all that implies in security terms, it comes from economic friction, underlining the need to build bridges across the Pacific rather than break them down.

So much for the broad scope of the *Asia Pacific* community towards which we are moving. But my remarks would not be complete without some reference to the processes and structures we are building to go with it.

To my mind, no community would be complete without the development of two parallel sets of edifices - on either side of the main street of our regional village, as it were. These would comprise an economic sector, which would have APEC as its centrepiece, and a politico-security sector for which we have the excellent infrastructure of the ASEAN PMC, now supplemented by ASEAN Regional Forum set in place just two weeks ago in Singapore. It may be that, over time, the membership of each group will become even more closely aligned. But that should not be pressed as an end in itself. There is very real advantage, in terms of the

borders, common aspirations for a better domestic life style (measured against a now clearly defined international consumer paradigm), international travel, and significantly enhanced educational opportunities for their children.

Dramatic social and cultural change has occurred no less in Australia. Already 40 per cent of our population were born overseas, or have at least one parent who was, and the country has a distinctively cosmopolitan flavour, reflected in how we eat, shop, dress and entertain ourselves. In another generation, at least one in 10 Australians will be of Asian decent.

Australians have not, and won't, become any less Australian as a result of these developments. Nor will the rapidly growing number of Indonesians or Malaysians who have an appetite for the latest electronic gadgetry from Japan, fashion from Europe, food and wine from Australia or movies from the United States, become any the less Malaysian or Indonesian for that. In the global village - and certainly no less in our own regional village - an appreciation of what others have to offer need in no way be at the expense of national or cultural identity or self respect. The convergence that is occurring here is of cross-cultural awareness, understanding and enjoyment of association.

Community. The phenomenon of convergence makes the concept of community much easier to grasp. Nations that increasingly see and do things the same way - economically, politically, socially - are nations that should find it easier to talk together, to build processes and institutions together, and advance common interests or resolve common problems. I believe that the gradual emergence of a sense of community in our own region - albeit a very recent phenomenon, with a long way yet to go - is a striking and exciting development, and one we should nourish.

With any community, one of the first things to develop is a clear idea of the area it might encompass. In the case of our own region, there are a variety of possible groupings or sub-groupings, and the choice obviously depends on what one is trying to achieve. There is some inherent geographical and cultural logic that binds various sub-groups together: South Asia's SAARC; South East Asia's, and no doubt eventually Indo-China's, ASEAN; and Oceania's South Pacific Forum. But there is no self evident reason why Indonesia, for example, should be regarded as having more in common with Korea than with Australia, or why Vietnam should be seen as having more in common with Japan than with India. In this sense, a good description of us, and our present sense of identity, was coined by Indonesian journalist Ratih

kind of region I'll find in another generation's time - if I'm still alive to be wheeled around it then. But the biggest risk, I suspect, in projecting forward is not that we might exaggerate the possibilities, but underestimate them.

One obvious dimension of the convergence I mentioned has been *economic*. Not only is business practice becoming rapidly more uniform, but business itself has become ever more indifferent to national borders. World trade is now \$3500 billion annually and growing at around 7 per cent; world foreign direct investment, although starting from a much lower base, is increasing at four times that rate; daily transactions on foreign exchange markets now exceed \$600 billion; and technological change, particularly in communications, continues to supply rocket fuel to the whole process. National governments can and do seek, with varying degrees of success, to stimulate this activity, hold it back or manage it - but increasingly, under the relentless pressure of global market forces, their direct influence on business activity is becoming less and less.

A second dimension of convergence has been *political*. In all the innumerable areas where they do retain influence, governments are increasingly being judged the same way - not by their claims to ideological rectitude, but by their performance. Are they promoting or inhibiting economic development? Are they ensuring a fair distribution of the benefits of economic growth and protecting the weak? Are they improving the quality of life for ordinary people and protecting the environment for their children? Are they conducting the nation's foreign relations in ways that reinforce or undermine their security and pride? Is government being run in the interests of the governors or the governed?

The urge for genuine democracy, for responsiveness in government on all these fronts, should never be underestimated. It is one that cuts across traditional cultural boundaries. It is difficult to believe that the democratic instinct shown last May by the people of Cambodia, against formidable odds, does not exist equally - and would not be as vigorously exercised if given half a chance - in other nations in the region, and outside it, where democracy is yet to be fully realised. And recent developments in Japan are an instructive illustration of another aspect of how long-established political moulds are being broken.

The third dimension of convergence is *social and cultural*. Economic development and the globalisation of business have generated - more conspicuously in this region than anywhere else - a rapidly growing middle class sharing, irrespective of national

I am not suggesting that we are all going to become part of a single regional, let alone global, unity. But I don't think any of us here would dispute the fact that we have, in this region, all moved very much closer together. As it happened, I made my first trip to East Asia just about exactly a generation - 30 years - ago, as a young university student, and I occasionally take an evocative mental leap back to that time. Think of the atmosphere then:

- not only was the Soviet Union a bristling, nuclear-armed menace, with places like Vladivostok as mysterious as the moon, but China was both bristling and brooding behind its Bamboo Curtain, unrecognised by almost any regional country, the failure of the Great Leap Forward behind it and the catastrophe of the Cultural Revolution yet to come;
- Japan's economy, though booming, was one-fifth its present size; there was practically nothing but paddy field and ox ploughs between Kowloon and Guangzhou; and you could still see the Sun Moon Lake in Taiwan through the smog;
- there was no ASEAN, let alone any other large regional organisation; Singapore was part of Malaysia; and the Hotel Indonesia was the only high-rise building in Jakarta, standing amid a swirl of betjaks and a sea of kampongs.

Australia itself in 1963 was in its fourteenth year of conservative rule, with another nine years to endure before Whitlam started breaking moulds in all directions. We had begun a solid trade with Japan, but our biggest export markets were still in Europe and North America. For security we depended on the United States, and emotionally and culturally we were at home only in Europe and North America. Australia's perception of the region to our north, a generation ago, more than anything else was as a source of threat and instability. But, to be fair to us, it should be acknowledged that a number of countries to our north thought exactly the same about some of the same neighbours.

Overall, containment of communism was the main game. Today's tigers and tigers-in-the-making were yesterday's dominoes. There was not a lot of self confidence to be found anywhere in the region - and not much in the way of mutual respect either.

So much of that scenario is unrecognisable now, and so much of what we see today was simply not predicted by anyone, that I'm highly reluctant to speculate about what

objectives that need to be pursued in each sector, in recognising that different criteria for involvement logically apply. In the case of APEC, the crucial requirement is economies of significant size that are significantly engaged with each other. Meanwhile countries like Russia and Vietnam, that may not yet satisfy the economic criteria, have a compelling case for participation in the politico-security body. Equally, while Taiwan is an important economic entity that finds a natural home in APEC, it would not be easy to accommodate within a politico-security body.

The development of APEC should not be seen as detracting from the role played by subregional arrangements that develop in a manner consistent with a free and open multilateral trading system. Nor should we forget that the most immediately important item on the international economic agenda remains not regional trade liberalisation or facilitation but the successful conclusion of the *global* main game, the Uruguay Round. But again successful conclusion of the Round will be of enormous benefit not only globally, but will underpin our efforts to develop more intensive and far-reaching regional co-operation.

In the longer term, APEC could reasonably seek to achieve such a level of economic co-operation - particularly in trade policy - as to justify calling itself not just an Asia Pacific Economic Co-operation process, but an Asia Pacific Economic Community. However, while the aim would certainly be to create an institution with more operational teeth than just an Asia Pacific OECD, it would not, realistically, be to create, even over the long term, something as highly integrated, comprehensive and formal as the European Community.

Perhaps I should say a little more on this subject, because the notion I am referring to here of "economic community" is certainly open to misunderstanding, and there are signs - in recent comment from some high places - that I have already been misunderstood. What is this "something" which is not like the EC, but which is not merely a talking shop? As a phrase which is only starting to gain circulation, "economic community" is, I acknowledge, open to being captured by the constraints imposed by language. These constraints tend to shackle us to the currently most familiar and common use of the phrase - ie the European Community - when our aim is to build something different and quite uncommon in our own regional village. But I see no reason why we should be bound by that little bit of hold the European model has on the word "community". There is no reason why we cannot, in our regional village, use the word "community" to mean what we want it to mean.

We can, may I suggest, push ahead with building our economic community according to *our* patterns, *our* models and *our* language. "Community" doesn't have to mean necessarily a supra-national reality, with significant power ceded to the centre, with union in whole or in part seen as a necessary element. We can make "community" mean what it, in fact, already means embryonically in the practice which is to be found every day in APEC processes, and which is emerging in the ASEAN PMC (and now Regional Forum) process: that is, a community built in the APEC way, the ASEAN Dialogue way, founded on the evolutionary recognition of mutual benefits and interests, open dialogue, consensus-building, and loose - but effective - arrangements.

This does not mean arrangements dictated by a centre whose growth means our diminution, but arrangements which we develop at a comfortable rate, and which we develop ourselves. This is as much of a "community" as is any other available model. So we should not be afraid of calling ourselves what we are manifestly becoming. The APEC model is one of a community configured as an open economic association: *open* to the rest of the world; *economic* in its primary policy focus; and an *association* built on voluntary understandings, not supra-national directives.

Meanwhile, on the other side of our street, further thought needs to go into defining what shape a politico-security structure might take and what role it might usefully play in the region. The CSCE (Conference on Security and Co-operation in Europe) remains one obvious model, although the manifest incapacity, at least to date, of the CSCE to play any really useful operational role in either preventive diplomacy or crisis management in Europe means that this model doesn't have quite the same resonance - either positive or negative - that it seemed to attract when I first floated it three years ago.

In the Asia Pacific region, habits of cooperative security are already strongly evident, and gradually becoming more systematically organised. One of the best current examples of preventive diplomacy is the series of workshops on the South China Sea issue, convened by Indonesia.

An important further development has been the emergence of "second track" dialogue forums on strategic and political issues, involving both non-government and government participants, such as the recently established Council for Security Co-operation in the Asia Pacific (CSCAP). We also welcome the Malaysian initiated

forum specifically focusing on regional defence planning - the Asia Pacific Dialogue for Cooperative Peace and Security, held in Kuala Lumpur in June.

But unquestionably the most important regional development in this field has been the emergence of a consolidated process of dialogue on security issues based on the ASEAN PMC, and culminating in the establishment of the ASEAN Regional Forum to include Russia, China, Vietnam Laos and PNG, as well as the ASEAN PMC dialogue partners. This is the kind of development Australia has advocated for some time and, needless to say, it is one which we now very warmly welcome as a milestone on the path to building effective dialogue and cooperative security processes in the region.

Rather than worrying too much about how this architecture might further evolve, for the foreseeable future I think it is a matter of quietly and systematically building on the infrastructure we have already set in place. This could be done through ever increasing dialogue in a variety of forums, increasing bilateral and multilateral defence co-operation between militaries, and developing transparency in arms acquisition and other confidence building measures. Ultimately it may be that regional preventive diplomacy and problem management processes and structures can be developed into some regional collective security capability. But it would be counter-productive to rush at any of these gates.

So there, briefly, you have my view of the parallel sets of edifices, the centrepieces now being the ASEAN Regional Forum and APEC, that are the key to the development of a genuine Asia Pacific community. Hard-headed self interest, in addition to genuine concern to improve the prospects for peace, security and economic well-being of our countries and peoples, dictate that all of us continue to contribute to these parallel processes of regional security dialogue and economic co-operation. And given the pace at which things have moved in this respect over the last five years - not to mention the last thirty - I am confident that we do have the wit to deliver to our peoples the benefits that we have all dreamed the end of the Cold War promised.