

AUSTRALIA'S ROLE IN EAST ASIA'S FUTURE

Speech to the CEDA Asian Region International Association of Cooperating Organisations (ARIACO) Roundtable by Senator the Hon Gareth Evans QC, Minister for Foreign Affairs, Melbourne, 11 September 1995

This meeting brings together a very distinguished group of Asia's leading business figures and analysts, predominantly from the Asia Pacific region, but some from Europe as well, and I am delighted to have this opportunity to talk to you. You will be dealing in this and subsequent conferences this week with a mass of specific issues relating to economic and business trends and government policy in the East Asia and larger Asia Pacific region, and I will be happy in the discussion period to try to answer anything you throw at me in any of these areas. But I thought it might be useful to take this initial opportunity to explain to you exactly how Australia sees its relationship with our Asian neighbours to our north - and how in turn we would like our regional neighbours to see us. A great many more specific issues are going to depend for their successful resolution on having the basics of our relationship with the region right - and whether we have got it right, or at least are on our way to getting it right, has been the subject of a good deal of lively discussion around the region in recent times.

The changes in the world since the end of the Cold War have been, as we are all unhappily aware, anything but peaceful or positive in many parts of the globe. But the Asia Pacific, by contrast, has been an unmistakable success story. With growth led by the countries of East Asia, and building on the existing might of the United States and Japan, the Asia Pacific has emerged as a great economic powerhouse, accounting for no less than half of the world's GDP, nearly half its exports and more than 40 percent of its population. And, although some potential security problems remain - including in the South China Sea, the Korean Peninsula and across the Straits of Taiwan - the region is enjoying a tranquillity matched by few other parts of the world, with every indication that that level of security can be sustained.

My belief is that central to these achievements has been a rapid acceleration - particularly in the last five to ten years, although the origins of this can be traced back to the late 1960s - of underlying forces and processes for integration between Asia Pacific countries. The economic dimension of these forces has been particularly important as the level of intra-regional trade and investment rises and regional economies become progressively interdependent and intertwined. But a myriad other bonds have been growing between Asian Pacific nations, at all levels of their societies, and with them a greater mutual understanding between the region's people. These developments have major implications

for Australia. They provide the basis for a new relationship with the Asia Pacific as a whole, and what I like to describe as the East Asian Hemisphere within it - a relationship which can be best described as one of partnership and integration, characterised by reciprocity and mutual commitment, mutual dependency, mutual reliance and mutual trust.

Cultural Convergence and Asian Values

Of course, that positive view of the trend of developments, both for the region as a whole and for Australia's relations with it, does not go unchallenged. There are those who question the significance or extent or possibility of interdependence between the "Western" and "Asian" components of the region, on the grounds of our obvious cultural, racial, historical and religious differences. The old notion "East is East and West is West and ne'er the twain shall meet" is echoed by a range of commentators on both sides of region.

Some, like Samuel Huntington with his notion of the "clash of civilisations", see cultural diversity - in Asia, and wherever else it appears in the world for that matter - as a cause for anxiety and future conflict as potentially bloody fault-lines open up along the boundaries between the major civilisations, which he identifies as Asian (Confucian, Japanese, Islamic and Hindu) Western, Slavic-Orthodox and Latin American and African. The utter arbitrariness of these descriptive categories, and their failure to describe accurately almost anything that is presently going on in the world, leaves Professor Huntington supremely unembarrassed - we have to understand, it seems, that this is forecast rather than analysis.

Although Huntington's apocalyptic ideas have not been taken too seriously, there is a more sophisticated version which has been advanced by some Asian figures, including Lee Kuan Yew, and which has attracted a considerable following - that is, the notion that there is what might be thought of as a distinctly Asian, or more specifically East Asian, civilisation, combining elements of Confucianism, Taoism, Buddhism - and, in some versions, a dash of Islam as well. The basic elements of this civilisation are said to involve less emphasis on individual rights and freedoms and more on the values associated with the family, the group, education, hard work, obedience, loyalty and discipline - all argued to be less emphasised in the West. These values, it is asserted, have been responsible for Asia's phenomenal growth and its success, certainly compared with some Western societies, in maintaining social coherence.

I have to say that I do not find these arguments especially compelling. They look back to an earlier time of far less contact and interconnection between Asian societies and between Asia and the West. They are overly simplistic, ignoring the diversity of "Asian" society, its six or more important and distinct mainstream cultural traditions, its dozens of cultures of more localised significance, and its rich tapestry of contrasts - ethnic,

linguistic, religious, economic and political. They assume that Asian societies are standing still and that their cultural patterns and beliefs are somehow immutable, an assumption which is as implausible for Asia as for the West.

I certainly do not want to downplay the importance of diversity among Asia Pacific societies. We have distinct historical origins, traditions, cultures, ways of life. That diversity is a source of strength and vitality, just as it has been, at times in the past, a source of conflict. The important thing, however, is not to allow ourselves to be blinded by the differences or to assume that they are immutable.

The point about the Asia Pacific region - and the East Asian Hemisphere within it - is that its similarities are becoming as important as its differences: the phenomenon of convergence, driven by a range of forces including, most importantly, by the shift towards a global market place and the revolution in information technology and telecommunications, is alive and well. The traditional distinctions between national businesses are rapidly breaking down, national boundaries are opening up; markets are being defined in new ways, manufacturing production is moving to lower cost countries and a global services trade is emerging to build new, diverse and powerful linkages between regional economies. New communications technologies are linking people across the region, instantly and cheaply, with consequences which are often unexpected and which are still being discovered and physical people-to-people contacts - through tourism to business travel, education and immigration - has been growing almost exponentially. More and more, within this larger Asia Pacific region, countries are coming to see and respond to issues the same way, to emphasise shared interests rather than separate interests, and to develop shared institutions and processes that are ever more alike.

Even on the sensitive question of human rights, there has been increasing recognition by Asian leaders of a common core of universal values, going to individuals' needs not only for security and property, but for dignity and liberty as well. Malaysia's Deputy Prime Minister, Anwar Ibrahim, for example, put this view very clearly in Hong Kong last December:

If we in Asia want to speak credibly of Asian values, we too must be prepared to champion those ideals which are universal and belong to humanity as a whole. It is altogether shameful, if ingenious, to cite Asian values as an excuse for autocratic practices and denial of basic rights and civil liberties. To say that freedom is western or unAsian is to offend our own traditions as well as our forefathers who gave their lives in the struggle against tyranny and injustices. It is true that Asians lay great emphasis on order and societal stability. But it is certainly wrong to regard society as a kind of false god upon whose altar the individual must constantly be sacrificed. No Asian tradition can be cited to support the proposition that in Asia the individual must melt into the faceless community.

Just in the last fortnight a fascinating contribution to this debate was made by Taiwanese President Lee Teng-Hui when he argued, in a speech to an international conference on the theme 'Consolidating Third World Democracies', that democracy has roots in classical Chinese culture, and that Confucianism is not incompatible with the development of a democratic society but in fact supports it. This is a theme that has also been articulated very strongly in recent times by Kim Dae Jung in Korea.

Of course, we should be careful not to exaggerate the power of technological convergence to produce cultural convergence. It has sometimes had a contrary effect -to put cultural diversity between various nations of the region into stronger relief, and to produce clashes. Over time, countries of very different backgrounds are developing - under the particular impact of modern communications technology - practices, institutions, tastes and outlooks that are ever more similar, but we are very much in a transitional period. The most important point to make is that while there are still important cultural differences in the region, we shouldn't overstate or be overwhelmed by them, and we are in fact at a point in history where the similarities are becoming a more important factor in governing our economic and political behaviour than the differences.

New Regional Architecture : APEC and ARF

The forces of integration and convergence are being reflected in a growing recognition among Asia Pacific nations that their economic and security interests can best be secured through more organised and focused processes of consultation and cooperation with their neighbours. New institutional arrangements have emerged, at both a regional and a sub-regional level, to facilitate this cooperation. Just this last weekend a very significant meeting took place in Brunei between ASEAN economic ministers and Australian and New Zealand trade ministers, to discuss putting flesh and blood on AFTER-CER cooperation, with agreement reached on a substantial work program, commencing immediately with cooperation on standards and conformance issues.

The pre-eminent example of region-wide economic cooperation is of course the Asia Pacific Economic Cooperation, or APEC, grouping, inaugurated in 1989. In its conception, scope and development, APEC has been a highly ambitious and so far successful undertaking. Its agenda, covering the three major activity areas of trade and investment liberalisation, trade and investment facilitation and economic cooperation generally, addresses the central economic policy issues facing the region over the next two decades. It has brought together, in a cooperative framework and within a short period, eighteen highly diverse economies. Despite this diversity, progress has been achieved at all levels of its activity.

This progress is seen in APEC's work in discussing, analysing and developing cooperative strategies on regional economic and industrial issues, the "regional OECD" role it has

undertaken. It is seen in its rapidly developing program of trade facilitation in such areas as standards, conformance and customs procedures. And, most importantly, it is seen in the acceptance by APEC leaders at their meeting in Bogor last year of a commitment to achieve free and open trade and investment in the region by 2010 for industrialised economies and by 2020 for the developing economies. The task immediately ahead for APEC is to reach agreement at the Leaders meeting in Osaka in November on an action agenda to meet the Bogor goals - an agenda which will allow APEC members to begin work on their detailed objectives for liberalisation, and give us confidence that meaningful progress can be made within a meaningfully short time frame. Present indications are that we are well on the track to achieve such a result.

In the security field the region has a new body with the creation last year, of the ASEAN Regional Forum. The inaugural Bangkok meeting brought together for the first time - to discuss matters like trust and confidence building, preventive diplomacy and non-proliferation - all eighteen major security players in the region. Some active intersessional dialogue since then, and a second Ministerial meeting in Brunei in July, has served to demonstrate the ARF's viability and its suitability as a vehicle for addressing regional security questions.

It is important, of course, not to have unrealistic expectations of what the ARF can do. Its progress is bound to be evolutionary rather than dramatic in character. Nor should we assume that cooperative approaches are the whole answer to regional security problems, or that we will ever be able to use them without at least a nod in the direction of traditional power balances. No one can sensibly deny the continued applicability of at least some traditional *realpolitik* considerations and the United States' role as a 'balancing wheel' in the region is more or less universally accepted (albeit more often in private than in public) in this respect. And no one, least of all Australia, is about to tear up familiar bilateral alliances. But the ARF process does provide an important new dimension to the maintenance of security in this region, and, so far at least, it is meeting the expectations of those of us who helped to set it moving.

Australia as part of the East Asian Hemisphere

Australia's regional diplomatic activity in recent years has been strongly focused on the Asia Pacific region as a whole, with a lot of our effort devoted to building the new regional architecture I've been describing. But while our primary focus has been on, and our identification with, the Asia Pacific, there is an important difference between **primarily** identifying with one grouping and **only** identifying with that grouping.

Within the Asia Pacific region we already identify with a number of sub-groups, not least the South Pacific, without any prejudice to our larger sense of Asia Pacific place. But I have been arguing recently that we should also be identifying, much more specifically

than we have done in the past, with another, rather larger, sub-group within the Asia Pacific, and that is East Asia. Can we do that without going so far as to say, or claim, that Australia is "part of Asia" or "part of East Asia"?

No one has any problem in Australia realising its Asia Pacific role so far as the "Pacific" component of the description is concerned, but there tends to be a little difficulty with the "Asia" side of the equation when this is looked at in isolation. Despite all the demographic and cultural change which has occurred in Australia in recent years, and all the efforts we have made to engage with and reposition ourselves in Asia, and all the recognition and respect we have won in the process, there are many in the countries to our north who would feel more than a little discomfort in describing Australia as "Asian". And that discomfort is felt here too. Prime Minister Paul Keating has readily conceded that

Australia is not and never can be an "Asian nation" any more than we can - or want to be - European or North American or African. We can only be Australian, and relate to our friends and neighbours as Australian.

In practice, we can usually avoid confronting this issue by linking the two components together: Australia being an "Asia Pacific" nation is easier to manage, conceptually and psychologically, than us being an "Asian" one.

However, if we do continue to skirt the issue in this way, as comfortable as that might be for most practical purposes, I have been concerned that we are missing an important truth about our relations with the countries to our north, and that is that there is something more distinctive and more immediate about our emerging relationship with them than is the case about our relationship with most other parts of the world, including Africa and Europe and even North America.

Partly it is a matter of geography: we may not be part of the Asian land mass geologically, but we are closer to it than anyone else, and longitudinally we share broadly the same time zones as East Asia. As the centre of world economic action shifts to East Asia, we find ourselves physically closer to the action than we have ever been: it has become a cliché now that the tyranny of distance for Australia has become the advantage of proximity.

Partly it is a matter of economics. Sixty per cent of our exports now go to East Asia, up from 50 per cent only ten years ago; seven of our top ten exports markets are found there; South East Asia has in the past year displaced the European Union as our second largest (after North East Asia) regional export market; 80 per cent of the increase in our exports, which in recent years has mainly been in high technology manufacturing and services, has been to this region. On the imports side, five of our top ten sources, and 40 per cent of our trade, comes from East Asia.

Partly it is a matter of people-to-people links, with all the social and cultural impact that flows from that. Last year, six of our top ten tourist sources (as well as our destinations) were in East Asia, with two-thirds of the year's increase coming from there - especially Taiwan and Korea. Four-fifths of all foreign students in Australia - 51,000 of them last year - were from East Asia, and in recent years around half our annual migration to Australia has been from this region. Asian-born Australians, overwhelmingly from East Asia, are becoming an ever growing component of our population: nearly 800,000 people now, representing about 4.5 per cent of the population, with the expectation that we will have around 7 per cent of Australians of Asian descent by the year 2010. Matching these changes, a major effort is now being made to educate current and future generations about East Asia: in particular to have, after 1996, every Year 3 to Year 10 student studying at least one language, with a particular emphasis on Japanese, Modern Standard Chinese, Indonesian and Korean.

Now none of these linkages may be enough to make Australia an 'Asian' nation in any comfortable use of ordinary language. But they certainly give some force to the idea that we are an "East Asian Hemisphere" nation - using that expression in an essentially geographical way, but so as to imply some other layers of connection as well. We are all familiar with the expression "American Hemisphere" or "Western Hemisphere" to describe North and South America together, even though these continents do not stretch literally half way around the globe: the segment of the earth's sphere stretching from longitudes west of China to east of Australia, particularly if one includes New Zealand, is not much smaller, so there is nothing incongruous about the geographical (or geometrical) reference.

Thinking of ourselves occasionally, as circumstances arise, as an East Asian Hemisphere nation, and having others in the region able to comfortably think of us in this way, can do nothing to harm, and much to advance, Australia's longer term efforts to engage and integrate with this part of the world on which our future so much depends. It would add value both to our perception of ourselves and our role in the region, and to other's perception of us. It is not a matter, I repeat and emphasise, of this image replacing the larger "Asia Pacific" identification, but rather simply of supplementing it. Putting it another way, it is a way of giving the same deep and comfortable resonance to the "Asia" part of the "Asia Pacific" equation, as has always been comfortably there with the "Pacific" part.

I first started talking in Australia about the concept of the East Asian Hemisphere in a speech in March in Australia this year, and first started talking about it to wider international audiences at the ASEAN/ARF ministerial meetings in Brunei early in August, so it has not been long in circulation. But already it has achieved a degree of recognition, currency and acceptance - notably from the Prime Minister of Singapore. There was some negative reporting of the Malaysian Foreign Minister's reaction at Brunei when he was asked at the press conference what he thought of my map showing Australia

as part of the East Asian Hemisphere, and he replied "If I look at a map I will immediately say that Australia is not part of Asia". But that response, with respect, rather missed the point. I readily concede the incongruity of saying that Australia is a "part of Asia": what I am suggesting is that we are a part of a different entity, the "East Asian Hemisphere".

The bottom line in all this is that all these concepts are communications devices. The point we want to make in the in the present instance that we share fundamental goals with our Asian neighbours to our north. Those goals include: aspirations for sustained and broadly distributed economic growth, based on high levels of economic integration, open economies, high levels of trade and investment flowing intra-regionally and the best use of comparative economic advantages; aspirations for a stable security climate, in which existing tensions and sources of conflict have been resolved, and where habits of dialogue and a climate of mutual trust forestall new tensions; and a strong, shared sense of wider Asia Pacific identity, in which at the human, personal level we genuinely feel that we have many common interests and values.

At the end of the day it not so much the decisions which governments take, but the extent to which these goals and aspirations come to be shared by the wider community - including the business community - that will determine how successful and complete Australia's integration and partnership with our East Asian neighbours will be. I think we are well on our way.