# AUSTRALIA IN EAST ASIA AND THE ASIA PACIFIC: BEYOND THE LOOKING GLASS

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In the "Eyes on ASEAN" photographic exhibition brought to Australia recently by Marina Mahathir, there is one particular picture that haunts my memory. It is of a Chinese opera singer making up her face, looking directly into a hand-held mirror. What she sees would be her own reflection - starkly defined; heavily painted features; white against purple-pink against black. What the viewer sees is the back of the mirror, on which Leonardo's Mona Lisa is reproduced - the features quiet; refined; bathed in golds and browns, and muted greens.

At first glance the contrast is obvious, stark; two emblematic cliches; the clash of civilisations brought to life, captured in one press of a camera button. But then look more closely: at the eyebrows, the bridge of the nose, the soft contours of each face - each very feminine face. Look through the looking glass that separates them, and the images look less and less radically different; more and more they replicate each other, converge.

## II

When I delivered my first Asia Lecture to this Institute in October 1991, I began with the following words:

The great turn-around in contemporary Australian history is that the region from which we sought in the past to protect ourselves - whether by esoteric dictation tests for would-be immigrants, or tariffs, or alliances with the distant great and powerful - is now the region which offers Australia the most. It has come to be accepted now almost as a commonplace that our future lies in the Asia Pacific region. This is where we live, must survive strategically and economically, and find a place and role if we are to develop our full potential as a nation.

That talk was essentially a stocktake of how far we had actually then come in managing our Asia Pacific future, in its political, economic and cultural dimensions. Three and a half years later, it is evident that we, and our region, have come a whole lot further in realising the kind of vision which lay behind what I then said : the vision of Australia as a fully engaged, fully participating, fully accepted member of an Asia Pacific region which feels itself to be a cohesive community.

I have been making the case in a number of different forums lately that 1994 was a watershed year, with two particular events - the APEC Leaders Summit in Bogor in November and the inaugural meeting of the ASEAN Region Forum in Bangkok in July - marking the transition, from theory to reality, of the idea of an Asia Pacific community. I want to make that case again tonight, taking the opportunity along the way to describe the significance of the new economic and security architecture we have been building through these two new forums.

But one really can't make the case for the emergence of an Asia Pacific 'community', let alone one in which Australia is accepted as a fully participating member, unless one can also somehow answer a couple of very familiar questions. Isn't the Asia Pacific region - if we mean by that the region embraced by East Asia, Oceania, North America and perhaps Pacific South America as well - simply too heterogenous in terms of its political cultures, security interests, economic cultures and basic values systems ever to be so characterised? And isn't there, in particular, an unbridgeable gap between the countries of East Asia and the rest, such that their separate regional identities will always count for more than any common Asia Pacific identity? So I will try and address these questions as well.

**III**

At the APEC Leaders' Summit in Bogor last November, the leaders of the eighteen major economies of the region - accounting between them already for almost 45 per cent of the world's trade and nearly 55 per cent of its production - committed themselves to achieving free and open trade and investment: no later than 2010 in the case of the industrialised economies, and no later than 2020 for everyone else. The scale of the aspiration is mind-boggling: an open market of 2 billion people, with seven of the APEC economies likely to be by 2020 among the top ten in the world (currently there are just three - the US, Japan and China).

All this has yet to be delivered, as distinct from merely talked about, but APEC has already come a very long way in the just over five years since it was launched in Canberra in November 1989, at a meeting of Foreign and Trade ministers from twelve major economies around the region - those of ASEAN and its dialogue partners (the United States, Canada, Japan, ROK, Australia and New Zealand). The numbers have since expanded to eighteen - with the addition of the three 'Chinas', Mexico, Chile and PNG - and there is a growing list of aspirants for membership. There is no doubt that APEC has now become the region's pre-eminent economic forum.

What APEC actually does is perhaps most simply understood in terms of a three-layer wedding cake. The foundation layer of APEC activity, about which there has been agreement more or less from the outset in 1989, is OECD-style economic cooperation - in data compilation, policy dialogue and in the development of cooperative strategies in

particular sectors like minerals and energy, transport and communications infrastructure, and in areas such as human resource development, and small and medium enterprise development. All this involves not much more than consultative activity - not the negotiation of formal agreements - but significant progress continues to be made in advancing cooperative objectives through a multitude of working groups.

The second layer of activity, which only really began to gather momentum following decisions at the 1993 Seattle Leaders' Conference and Ministerial meeting, involves trade and investment facilitation: a series of strategies designed to facilitate trade and investment flows, and reduce costs to business, in areas such as technical standards, certification, mutual recognition of qualifications, customs harmonisation, investment guidelines and the like. The value of this kind of activity should not be underestimated. Some business estimates suggest that differing standards and testing arrangements among APEC members can add between 5 and 10 per cent to exporter's costs on entering the market for the first time; others have put these costs as high as 15 per cent of total sales. The significance of trade and investment facilitation activity in institutional terms is that it involves, if results are to be actually delivered, not merely consultation, but the negotiation of agreed outcomes; its significance in political terms is that it lends itself to the achievement of results which business can readily understand, quantify and wholeheartedly support.

The top tier of the APEC wedding cake, which has been attracting much more attention than everything else put together, notwithstanding that its ingredients are still only being assembled, is the trade liberalisation agenda - in the traditional tariff and quota reduction sense - endorsed in Bogor last November.

The way to implement that agenda is yet to be worked through in detail, and - while we all continue to hope that agreement on at least a basic framework for action can be reached in Osaka in November - it may well take two to three years, or even longer, before a detailed means of meeting the target dates is thrashed out. Questions like what precisely 'open regionalism' means in this context, and whether progress can be better made with or without a formal Free Trade agreement being negotiated, or indeed a new GATT/WTO round being leveraged into effect - are issues still to be resolved. But the political 'horsepower', that Paul Keating so effectively worked for at Seattle and Bogor, has now been injected, and the overall internal dynamics are highly favourable for further trade liberalisation momentum.

There have been some recent suggestions, from newspaper commentators who ought to know better as well as Opposition spokesmen who can't be expected to, that Australian trade policy has been somehow losing its way in all of this: that statements like that which I have just made demonstrate a combination (depending on the commentator) of wrong-headedness, confusion, impotence or naivete. I am obliged to say in return that those making these judgments simply have not understood the complexity, or subtlety, of the

discussion process now underway.

The situation is that within APEC at the moment there are significantly different views evident as to whether APEC should proceed toward its free trade objectives on a Most Favoured Nation (MFN) basis (which would mean the benefits of trade and investment liberalisation within APEC being extended to all countries, APEC and non-APEC members alike), or on a preferential basis (extending the benefits, in the first instance, only to APEC members, albeit doing so in a way consistent with WTO rules). As Australian Ministers have made clear from the beginning, we are not neutral in this debate: our preferred approach is to pursue non-discriminatory MFN liberalisation. That's what we have done ourselves, unilaterally, through the 1980s, to good effect; and that's what would, on the face of it, best reinforce the underlying principles of the global trading system embodied in the new World Trade Organisation.

But we have to recognise that APEC operates on a consensus basis, and we can't dictate the play. If hard-headed analysis showed that quick, deep and comprehensive trade and investment liberalisation could be delivered more effectively through an extension on an APEC-wide basis, of the preferential Free Trade Agreements which now litter the Asia-Pacific landscape on a sub-regional basis, then it would be absurd for us to rule out that option. And we don't rule it out, although we have constantly emphasised that the FTA route would only be likely to deliver the desired results if it involved a different mindset on the part of its participants than has been common in the past: mainly a willingness to accompany the inward looking preferential arrangements with a variety of measures aimed at simultaneously reducing barriers to non-members, and encouraging them to do likewise. We might call this a 'best practice' FTA model. One way for most of these objectives to be secured, of course, would be for a new comprehensive round of WTO-led multilateral trade negotiations to commence sooner rather than later.

The task immediately ahead for APEC is to agree if possible in Osaka on an action plan to meet the Bogor goals - which would involve a set of principles to guide negotiations, an agreed mechanism for achieving early results, and at least a preliminary timetable for putting that mechanism to work. So far as a mechanism is concerned, most attention is presently being focused on the idea of 'coordinated liberalisation' or 'concerted unilateralism', under which each country would move individually to meet the Bogor targets on a non-discriminatory basis, but at the same time with those plans being submitted to APEC and subjected to a process of negotiation designed to coordinate, and improve, offers first put on the table. It is not impossible that there could grow out of that negotiation process a disposition to move down a preferential FTA path of the 'best practice' kind that I have mentioned: it is not in that sense a matter of an 'either-or' choice which has to be made now. Nor is it a matter of Australia, or anyone else, clumsily revealing 'negotiating fallbacks' to say all this at this time. It is a matter of recognising that there are a number of ways potentially available to reach our shared liberalisation objectives; that there is a lot of intense and constructive thinking presently going on in all

member countries as to how best to achieve this; and that that thinking is bound to further evolve over the years of discussion and implementation that lie ahead.

The basic rationale of APEC has always been the mutual benefit involved in greater cooperation - particularly on trade and investment facilitation, and trade liberalisation - among the most dynamic set of regional economies in the world. But APEC's most important contribution to the world trading economy so far has been probably as an economic organisation building a bridge across the Pacific, counteracting in the process the continuing tendency toward economic division between the United States and Japan, and between the United States and China. The successful conclusion of the Uruguay Round seems for the time being to have significantly reduced the danger of the 'nightmare scenario' being realised, which would see the division of the world into three closed and warring trade blocs, based on the Dollar, Yen and Deutschmark respectively. But APEC is one of the best guarantees that that danger will not resurface.

**IV**

In security matters, as in economics, the notion of a community of Asia Pacific states, based on a recognition of real commonality of interest, has also been quietly taking root, and with rapidly accelerating momentum, since the end of the Cold War. Certainly the barren years of Cold War confrontation have left their mark here, and the habits of cooperation and consultation so necessary for the formation of any joint undertaking will take longer to develop in security than in economic matters. But those habits have begun, with their developing momentum demonstrated most clearly in last July's inaugural meeting in Bangkok of the new ASEAN Regional Forum (ARF). This 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: the six ASEAN countries; ASEAN's dialogue partners (Australia, Canada, Japan, New Zealand, the Republic of Korea and the United States), with China, Russia, Vietnam and Laos, and PNG as well. Of the significant players only the DPRK remains, for the moment, excluded.

Despite its name, the ASEAN Regional Forum is not confined in its focus to the South East Asian area. The basic rationale for creating it has been to generate a new atmosphere of multilateral cooperation in the wider Asia Pacific area, in a security environment that was dominated throughout the Cold War years by the division of the region into major competing blocs, supported in each case by bilateral alliance relationships. When the world changed with the end of the Cold War, so too did the Asia Pacific region. There are many voices now calling for a new approach to regional security: one which would see not the abandonment of traditional alliance relationships, but their supplementation by multilateral dialogue processes, and the evolution of a comprehensive new network of bilateral and multilateral cooperative arrangements.

The development of the ARF is generally acknowledged to have begun with a proposal made at the ASEAN Post Ministerial Conference in Jakarta in July 1990 by Australia (to some extent echoed by Canada) that systematic efforts be made to develop a security dialogue between states in the region. The suggestion was made that if such processes of dialogue were to get under way, and if they were to be successful in enhancing confidence and developing new patterns of cooperation among various countries, and groups of countries, in the region, then at some stage there might evolve a more formal structure. One possibility was an Asia Pacific version of the Conference (now Organisation) on Security and Cooperation in Europe (CSCE/OSCE), part of the Helsinki process which contributed so much to the ending of the Cold War.

Obviously, as acknowledged at the time, there are no simple comparisons to be drawn between the Europe-North Atlantic theatre and the much more heterogenous Asia Pacific region. In fact, the initial reaction of the US, in particular, was to say that multilateralism in the Asia Pacific was an idea whose time had not yet come. And that was essentially the state of play I reported - albeit expressed more indirectly - in my 1991 Asia Lecture. But since then a more relaxed view has come to be accepted, the turning point being the appearance of an article in *Foreign Affairs* by James Baker in early 1992. In it, Baker acknowledged the contribution to enhanced stability that multilateral security dialogue might usefully make in an Asia Pacific context. At the same time, however, he emphasised (as we in Australia would certainly accept) the important role that the traditional bilateral alliances would continue to play. The Clinton Administration enthusiastically embraced this approach from the outset.

Asia Pacific regional security is always going to be seen at least partially in terms of power balances. Witnessing the minuet of the giants in our region (the US, Japan, China and Russia), and conscious as we all are in the region of potential flashpoints like the South China Sea and the Korean peninsula, and of the uncertain future domestic environment in China, no one can sensibly deny the continued applicability of at least some traditional *realpolitik* considerations: the United States's role as a 'balancing wheel' in the region, to use Dick Cheney's phrase, is more or less universally accepted (though sometimes more in private than in public statements), and no one is in the business of tearing up familiar bilateral alliances, least of all Australia's with the US. In a region where the idea of power-balance retains considerable resonance, there may be much to be said, moreover, for working over time to unite the lesser sized countries in the region - including those of South East Asia, Indochina and Australasia - into a more cohesive grouping of their own.

But at the same time, there seems now almost complete acceptance of the idea that a great deal can be done to supplement and reinforce more traditional approaches by multilateral dialogue, confidence-building and problem solving processes - the key elements in what I have described elsewhere as the concept of 'cooperative security'. The ARF - the Asia Pacific's particular contribution to such an approach - will necessarily take some time to

assume a clear institutional status and role. It has not yet had the visible achievements to its credit of even the OSCE in Europe - and sceptics there are of course still legion. But I think all of us attending the first session in Bangkok of the ARF came away with the feeling that something of real weight and value had been set in train, and the intersessional dialogue that has continued since than has given some further ground for optimism. In Canberra last November there was held a seminar on trust and confidence-building, which was attended by some prominent military and civilian policy makers - including from China - who participated freely and constructively in its deliberations: a series of practical measures were identified, ranging from the immediately do-able (such as strategic planning exchanges and joint training for peace keeping operations) to those presently, but not necessarily permanently, in the too-hard basket. A further seminar has since been held in Brunei on the subject of peace keeping, and another will be held in May in Korea on preventive diplomacy. All these will feed into the second Ministerial Meeting to be held in Brunei in August. As with APEC, a clear agenda for action is beginning to emerge and there is no evidence yet that it will be strangled at birth by indifference or resistance to change.

**V**

To what extent have the watershed events of 1994 with APEC and the ARF really marked the realisation of the idea of an Asia Pacific community? It has to be acknowledged that the sense of a common Asia Pacific regional identity, transcending sub-regional identities like 'South East Asia' or 'South Pacific', is a very recent phenomenon. While the concept of the 'Pacific Basin' or 'Pacific Rim' has been around in academic and business circles for some years, 'Asia Pacific' has really only been widespread currency since around the time APEC was established in 1989. And the idea of that common regional identity being so close as to constitute an Asia Pacific 'community' is an even more recent one still. But if it started late, the concept has taken hold, and it is spreading with accelerating speed.

In talking about an Asia Pacific community, I don't want to be taken as claiming that the region is, or ever should be, a Community in the capital-C European sense, implying among other things a customs union and single internal market. Rather I am speaking - as did the Eminent Persons Group who advised the APEC Ministers and Leaders in 1994 - of community in the small-c sense, the flavour of which is best captured by the usual Chinese translation of the term, which involves characters meaning literally 'big family'.

Even expressed in this cautious way, there are still plenty of critics who can be heard to say that the idea of an Asia Pacific community is at best premature and at worst misguided. The reasons put are those I mentioned earlier - namely that the region is simply too heterogenous in terms of its political cultures, security interests, economic cultures and basic value systems ever to be capable of being so described; and that there is an unbridgeable gap, in particular, between the countries of East Asia and the rest, which will always count for more than any common Asia Pacific identity. I believe that these

responses, while familiar and understandable, not only insufficiently acknowledge what has been achieved so far through APEC and the ARF, which I have just tried to describe, but understate the forces now at work to bring the Asia Pacific together, and overstate the potentially divisive forces.

The most obvious force working to bring the Asia Pacific together is economic self interest. Quite apart from the cooperative strategies developed through APEC, which are just beginning to have an impact, there is already a high level of economic integration within the region. Some 60 per cent of APEC countries' trade is with other APEC members, and whereas in the past a great deal of the region's trade and investment was between the US and individual countries in East Asia, there is now rapidly growing trade and cross-investment between East Asian economies who have not previously had much to do directly with each other. Traditional notions of complementarity and competitiveness no longer have much application: everyone is doing business with everyone else, and doing well out of it. My favourite current example is the recent move by the Singapore *Straits Times* to have all its sub-editing and layout done in Australia, where more skills are available at lower cost. Reports and articles written in Singapore are sent down the electronic highway to the Sydney facility for sub-editing, and the finished product (ie laid-out pages) is transmitted back through the computer network each night to Singapore for printing and distribution.

Underlying all the economic activity, and contributing mightily to it (as the Singapore example clearly exemplifies), has been the phenomenon of technological and cultural convergence - whereby countries of very different backgrounds are developing - under the particular impact of modern communications technology - information bases, practices, institutions, tastes and outlooks that are ever more similar. We have come to do things more alike, see things more alike, and develop institutions and processes that are more alike in how we conduct business, administer governments, absorb information and enjoy our leisure. This is a worldwide phenomenon, but it is nowhere more evident than in the Asia Pacific.

The phenomenon of technological convergence has nowhere been more evident that in the media and information services business. Five of the world's biggest industries - computing, communications, consumer electronics, publishing and entertainment - are now converging into one dynamic multi-media whole as the traditional distinctions between businesses rapidly break down. The main players in all these sectors are now, like Rupert Murdoch's News Corporation, organising around regional or global markets, not country markets, and the markets themselves are being redefined around customers, regardless of national geography. Global information providers beam their news and comment products as far as their satellites can take them. Broadcasters address ethnic or special interest markets dispersed across country borders: we now talk about the 'Chinese language market' or regional news services, with Australia Television being an example of our own foray into regional broadcasting. And business information networks link our

financial markets to each other, and to the rest of the world, in real time.

Cultural convergence is not just being driven by technology. The need to find a common language in which to conduct more complex and sophisticated transactions, both economic and political, has led to the emergence of English as the unquestioned *lingua franca* of the region. ASEAN meetings, for example, have long all been conducted in English, and one of the remaining factors inhibiting (although not stopping) the early accession of all three Indo-China countries to ASEAN is the shortage there of the necessary linguistic resources. There is no doubt, in turn, that easy facility in English by nearly all the key players in the Asia Pacific forums has been an important factor in feeding their sense of common enterprise.

Another cultural factor, less often remarked, has been the extent to which a number of countries on each side of the Pacific - I am thinking particularly of Malaysia, Singapore, Australia, Canada and the United States - have been prepared to recognise each other as proudly multicultural, rather than monocultural, in outlook. That phenomenon is being reinforced all the time by the high level of people-to-people exchange, particularly in tourism, education and, in our case, immigration, and over time this does work to pull the region together.

In talking about forces helping to bring the region together, it is important never to underestimate the power of ideas. One such idea, which is much less fashionable now than it was five years ago, but still I think deserves a respectful hearing, is Francis Fukuyama's claim about the rise to more or less absolute intellectual dominance of the political and economic philosophy of liberal democracy. Fukuyama characterised this phenomenon as "the end of history", and was roundly misunderstood for his trouble. What he was saying was not that international life was henceforth going to be without conflict and trauma; rather that there was - at the level of underlying ideological consciousness - simply no competing philosophy that any longer had the capacity to move decision-makers and their publics, and that this state of affairs was likely to continue into the indefinite future. While there are, of course, plenty of political leaders in East Asia who are more inclined to resist political liberalisation than they are economic liberalisation, and are for the moment doing so successfully, Fukuyama's point is not falsified by referring to that obvious fact. The issue is one about the power of ideas over the longer term, and I am not sure that there are any coherent competitors to liberal democracy on offer at the moment: I will come back a little later to the question of so-called 'Asian' or 'East Asian' values.

At a less exalted philosophical level, it is possible to point to some other ideas which have been of real practical importance in the Asia Pacific in recent years. One is the principle of 'inclusivity', largely but not entirely a corollary of the end of the Cold War, that has underpinned forums such APEC and the ASEAN Regional Forum, in sharp distinction from predecessor bodies like SEATO and ASPAC (the 'Asia Pacific Council', set up in 1965 as a US initiative essentially to display regional political solidarity against China,

which died in 1972 when most of its members recognised the PRC). A more fundamental- still underlying idea has been simply that of cooperation: an acknowledgment that a cooperative environment is the best way in which to advance economic interests, to protect security interests, and to resolve a miscellany of problems - including refugee flows, cross-border environment hazards, narcotics trafficking, piracy and terrorism and the like - which are insoluble by any single country acting alone. This, again, has been a phenomenon by no means confined to the Asia Pacific region. President Martti Ahtisaari of Finland recently made the point nicely - if a little theatrically - when he said that in the modern world there are no small countries or large ones, only those that are capable of cooperation and those that are not.

What, if any, are the forces pulling the other way in the Asia Pacific region, the potentially divisive forces? The most recent advocate of Kipling's 19th century prognosis that 'East is East and West is West, and ne'er the twain shall meet', although he dresssed it up in more portentous prose, has been the American scholar Samuel Huntington, who in 1993 advanced the notion that, with the Cold War over, we now have to face, as the major threat to global and regional security, 'the clash of civilisations'. He argued that world politics is entering a new phase in which the great division, and the dominating sources of conflict, will be cultural - with potentially bloody fault-lines developing along the boundaries between the major civilisations, identified as Western, Confucian, Japanese, Islamic, Hindu, Slavic-Orthodox, Latin American and - possibly - African. Australia came in for special attention by Huntington, getting a whole footnote to ourselves in his original article. We are identified as a 'torn' country, not one like Turkey, Mexico and Russia where the history, culture and traditions are non-Western but the leaders badly want to make them Western, but a 'torn country in reverse':

Although it has been a full member not only of the West but also of the ABCA [America, Britain, Canada, Australia] military and intelligence core of the West, its current leadership are in effect proposing that it defect from the West, redefine itself as an Asian country and cultivate close ties with its neighbours. Australia's future, they argue, is with the dynamic economies of East Asia. But, as I have suggested, close economic cooperation normally requires a common cultural base. In addition, none of the three conditions necessary for a torn country to join another civilisation is likely to exist in Australia's case.

The three conditions referred to are that the country's political and economic elite has to be generally supportive of and enthusiastic about this move, its public has to be willing to acquiesce in the redefinition, and the dominant groups in the recipient civilisation have to be willing to embrace the convert. Professor Owen Harries, whom Huntington quotes approvingly, puts Australia's position even more starkly in another published article:

....if Huntington is right in identifying...an emerging Confucian-Islamic challenge to the West as a central fact of the new era, it means Australia is living on the edge of the most

dangerous 'fault-line' in the world - and is the softest Western target on that line.

I don't accept Huntington's assertion that the three conditions he sets for a country to redefine its civilisation 'identity' cannot, and will not ever, be met in the case of Australia. The notion that a country like Australia is inevitably destined, because of its history and culture, to remain an outsider in its own region seems to me to be at odds with all recent experience. It is at odds with economic and political developments as they are evolving in the region, and with attitudes as they are evolving both within Australia and the region at large: I will return to this theme before I conclude. But more than all that, it seems to me, and, I know, a great many other people in this region, that his basic thesis is quite fundamentally flawed. While it is, of course, the case that what Huntington describes as 'civilisations' are very important in defining what are still very important differences between peoples around the world, the question is how relevant those differences are, and the extent to which they - and they alone - will generate conflicts and divisions that would not otherwise be crucial.

Common Islamic roots did not stop Iraq invading Kuwait, or most of its Arab neighbours joining with the Western retaliation; common Confucian roots haven't stopped acute tensions between North and South Korea; common Africanism hasn't stopped endless conflicts in that continent; and common Western heritage hasn't stopped acute trade differences from time to time between Europe, the United States, Canada, Australia and New Zealand - or the communal-religion based conflicts which have so long traumatized Northern Ireland. The notion of a Confucian-Islamic challenge to the West seems based on nothing much more substantial than China's alleged willingness in recent times to assist certain Islamic states in the production of certain weapons of mass destruction - an unhappy development, unquestionably, but a hard one on which to build any theory of civilisation-based conspiracy.

Expressing them more generally, the objections to Huntington include the apparent arbitrariness of the civilisation-boundary lines - the way they seem capable of expanding or contracting to fit the example of the moment; the way in which he ignores the integrative or convergence tendencies at work in the world, which transcend civilisation boundaries; and the way in which he effectively ignores the tendency toward social fragmentation, or retribalisation, within so-called civilisations - and indeed, in a great many cases today, within individual countries - which are a far more obvious source of contemporary conflict.

While not many people have taken too seriously the Huntington thesis, with its almost mechanistic plate-tectonics view of the inevitability of violent conflict, there is a softer version of the Huntington thesis which has attracted a considerable following. That is that there is something which might be thought of as a distinctly '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. It is often suggested, as you would expect, that this combination of values has been crucial to the recent dramatic economic success story in East Asia; but the trouble with this line of argument is that one then clamours for a response to the question as to why, given all that philosophical tradition working for it for so many centuries, the East Asian economic miracle did not pre-date, rather than post-date, that in the more fickle and individualistic West.

One of the most robust critics of the 'Asian values' school has been Kim Dae Jung, one of the foremost - if not most electorally successful - figures of post-War Korean politics. Kim points out that the arguments for exclusively Asian values have about them a strongly self-serving air, as justifications for authoritarian rule in a number of states. They ignore the fact that the will of the people is a tradition in Chinese and other Asian societies which has a very long history - much longer in fact than in the West - in the form of clearly understood reciprocal duties and responsibilities between ruler and ruled. They tend to assume, moreover, that Asian societies are standing still and that their cultural patterns and beliefs are immutable, an assumption which is as implausible for Asia as for the West.

Kim further makes the point that the assertion that the political and civil rights spelt out in the Universal Declaration and UN Covenants are somehow unsuitable or inappropriate for the people of Asia carries with it an implication that these are people who do not want or need such rights - which is deeply offensive to the many people in the region who have struggled for and achieved democratic reforms in the post War years, often in circumstances of great difficulty and danger.

Although there are obviously different rates of take-up of these values around the region (with South Korea and Taiwan recently moving well ahead of China and Vietnam, for example) there is increasing acceptance, as there is indeed around the world, that there are a common core of universal values which are more powerful in their resonance across the region than any values which are argued to be peculiarly Western or peculiarly Asian. These more universal values go to individuals' needs for security, for prosperity, and for dignity and liberty - including the right to have a say in the way they are governed.

Looking around the region, as indeed around the world, one cannot help but be struck at the way in which 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 their nations' 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 in May 1993 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 developments in Japan over the last two years are an instructive illustration of another aspect of how long-established political moulds are being broken.

My own view, to sum it up, is that the phenomenon of convergence, in all the various manifestations I have described, is a more powerful idea, and a more powerful reality, in the Asia Pacific than any individual religious-based culture, or any localised combinations of them. And this response seems to be slowly gaining ground. One of the main pundits of the 'Asianisation of Asia' approach has been Yoichi Funabashi of Japan, who spelt it out in a recent *Foreign Affairs* article under that title. But he acknowledges in his concluding paragraphs that the most likely outcome of recent developments is not in fact the emergence of a distinctive 'Asian' or 'East Asianised' identity, but rather what he describes as a new 'Asia Pacific "cross-fertilised" civilisation'. And in the current issue of *Foreign Affairs*, another well known writer on 'Asian values', Singapore's Kishore Mahbubani, argues that we are now witnessing, as an unprecedented historical phenomenon, 'a fusion of Western and East Asian cultures in the Asia Pacific region'. I think they are both right.

**VI**

No country in the modern world particularly likes to be an island, going it alone in international affairs without any larger sense of group identity. The urge to identify with others, to find one's security and prosperity with others, remains as strong now as it did through the Cold War years. There is a resurgence of interest around the world in regional groupings of one kind or another, for one purpose or another - in Europe and the North Atlantic, in Eurasia, the Americas, Africa, the Indian Ocean, even the Middle East, as well as the Asia Pacific.

When considering all possible combinations of states, and all possible geographic areas, with which we could identify, it makes every sense for Australia to identify primarily - as we have been in recent years - with the Asia Pacific. If there is such an entity as the Asian Pacific; if that entity is assuming the coherence, character and awareness of itself as a community; if that community-entity continues to bring together most of the world's major economic and security players; if that combination of economic and security players is going to matter more for Australia's economic and security future than any other combination; and if there is no obvious downside, in terms of our relations with anyone

else, in our identifying primarily with the Asia Pacific - then the arguments for doing so are unanswerable.

There is an important difference, however, between primarily identifying with one particular grouping and only identifying with that grouping. Australia, like most countries, has multiple other group interests and loyalties to which we can and should give weight. We are members (with 184 others) of the United Nations, and (with 50 others) of the Commonwealth of Nations. Within the UN systems we belong to the 'Western Europe and Other Group' (WEOG) for electoral and policy discussion purposes. We are members, and in several cases initiators, of a number of special interest coalitions formed for particular purposes, like the Cairns Group of fair-trading agricultural producers and the 'Australia Group' of responsible chemical exporters. We have bilateral or plurilateral defence alliances with the United States, New Zealand and Papua New Guinea and - in the context of the Five Power Defence Arrangements - with Malaysia, Singapore and the UK as well.

We have a strong regional and institutional attachment to the South Pacific group of nations. Within the South Pacific, we are an 'Australasian' country, bound intimately to New Zealand through the comprehensive CER Free Trade Agreement. With South Africa rejoining the world and India newly looking outward, we are increasingly now not just looking north and east in defining our geographical identity, but west as well, to the Indian Ocean region: beginning with a major regional conference we are hosting in Perth in June, we are embarking on a major exercise to explore the scope for the development of systematic cooperation in economic and other fields in that region. Australia can give weight and value and commitment to every one of these group relationships, old and new, and to others as well, without in any way prejudicing or undermining our sense of primary identification with the Asia Pacific.

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 given our geography, our current and prospective economic and security needs, and the way in which the demography and culture of our own country is changing - and given, on the other side of the coin, the history of neglect and worse in our less recent relationships with the countries to our north - I think there may be a case for also identifying, rather more specifically than we have done in the past, with another, rather larger, sub-group within the Asia Pacific, and that is East Asia. And I think there is a way of doing this without doing violence either to ordinary language, or to other political and economic policy imperatives.

As I said in my 1991 Asia Lecture - and have repeated in my book on *Australia's Foreign Relations* (including in the just published second edition), 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'. For our own part, 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, as I put it in 1991, 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 am concerned that we may miss 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 cliche 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 or our top ten exports markets are found there; South East Asia has just 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.

Just as Mexico, for example, would comfortably now think of itself as simultaneously an Asia Pacific, North American and Latin American country, so too would we think of ourselves as, simultaneously, of the Asia Pacific, East Asian Hemisphere, South Pacific, and Indian Ocean as well. But the Asia Pacific - with APEC and the ARF as its institutional foundations, and the US in particular as a crucial continuing economic and security player - would always remain for us, as it should remain for every country in the region, the main game.

**VII**

Few other countries in the world can have been through quite so comprehensive a self examination, quite so fundamental a rethinking about their place in the world, or quite so extensive a repositioning, as Australia has been through in the last decade and a half. We looked in the mirror in the early 1980s and began to see ourselves as others had long seen us: politically and militarily dependent on others half a world away; culturally and

economically insular; not understanding of, or responsive to, the richness and the opportunity unfolding around us.

We have now held that glass to our own region, looked through it, and responded to it. And what we have found is more responsive to us, more capable of enriching our experience, and more alike us, than we could have ever previously dreamed.