

OUR SHARED ASIA PACIFIC FUTURE

Address by Senator Gareth Evans, Minister for Foreign Affairs, to the Canada-Australia Conference on Cooperation in the Asia Pacific Region, Canberra, 28 July 1995.

For many of the world's peoples the last five years have failed to deliver the gains in prosperity and security which were widely expected to flow as the Cold War ended. The competition between the superpowers, with its underlying threat of global nuclear destruction, its recurring conflicts fought out among proxies and its wasteful diversion of resources from the real problems of development, was swept away to the acclaim of us all. We couldn't wait to see the Cold War over, and to herald a new order in its wake.

The old order has been replaced, however, not with a new era of peace and understanding, but with a seemingly endless progression of conflicts that have proved more devastating, above all, in their impact on human life, than much of the Cold War tension of the previous forty years. And there are many parts of the world - not least Africa and many parts of the former Soviet Union - where material prosperity, or even the ability to meet basic survival needs, seems as far away as ever.

There has been one part of the world, however, where the last five years have seen developments which are overwhelmingly positive. The success of the Asia Pacific countries - with both Canada and Australia standing tall among them - in building an increasingly prosperous and stable region stands in stark contrast to the disappointments elsewhere.

There are certainly plenty of grounds for great confidence about the future of our region. Economically, as we all know, the Asia Pacific now accounts for more than half the world's GDP, nearly half its exports and more than 40 per cent of its population, with East Asia enjoying growth rates which are the fastest in the world, some three times the rate of the established industrialised countries. And in security terms, while there a number of scenarios that can be painted - in the South China Sea, Korean Peninsula and elsewhere - to keep congenial pessimists and Jeremiahs thinking that maybe all is not lost, the truth of the matter is that this region, which for most of its history has been one of the world's most violent and volatile, is presently more tranquil than any other, with no self-evident reason apparent as to why that should change for the foreseeable future.

I don't for a moment suggest that this is a time for complacency, or that there is nothing that governments and other decision makers need do to ensure that this presently happy state continues. It is important for those of us who contribute as decision makers to be able to take a longer view of the Asia Pacific region's development, to try to establish where

we should be heading in the next ten or fifteen years, and to constantly attend to how best we might get there.

Economically, I believe we should be working for a region which, by the year 2010 (the Bogor target year for full market liberalisation by developed member economies) is marked by sustained and broadly distributed economic growth, based on high levels of economic integration between the APEC economies. Ours should be open economies, cooperating together to make best use of our comparative advantages, increasing our levels of productivity and sharing with each other an even higher proportion of their trade and investment flows.

We should be working, moreover, to develop this prosperity in a climate of political stability and security, in which existing tensions and sources of conflict have been resolved; in which human rights, broadly defined, are respected; and in which habits of dialogue and mutual trust forestall new tensions from arising. And we should be working consciously to build among the region's peoples a stronger sense of shared regional Asia Pacific identity, reinforcing a trend which will arise naturally from the multi-layered linkages which develop between our societies and the many new opportunities for interpersonal contact which will arise.

Interlocking progress in both the economic and security fields will be crucially important to achieving these goals. Without the prosperity, the jobs, the infrastructure development and services which economic growth can provide, there will be little prospect of resolving tensions within and between states which are either latent or which can quickly bubble to the surface, and which if not resolved can so easily lead to conflict. And without a stable security climate the region cannot hope to maintain the rate of investment which will be needed for sustained growth and a more equitable distribution of the region's resources, especially to its poorest people.

I am certainly not putting forward the simplistic argument sometimes made that there is some kind of automatic linkage between the two objectives, or that progress in one area has to run in lockstep with progress in the other. There is plenty of historical evidence, including evidence from within the region, to demonstrate that this is not so. A climate of relative security is certainly not sufficient in itself to guarantee economic growth, nor is growth the single solution to security.

What I am arguing is that the demands of long-term, sustainable prosperity and security require us to devote our efforts to both areas with equal dedication. And we have the means to do so through the cooperative mechanisms, in particular APEC and the ASEAN Regional Forum, which the region has developed in the last few years.

Economic Cooperation

APEC's progress since its launch at the Ministerial Meeting in Canberra in November 1989 has been remarkable. In little more than five years it has received the highest level of political support and commitment from its member economies as the region's pre-eminent economic forum.

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 and analysing regional economic and trade-related 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 agree in Osaka in November on an action agenda to meet the Bogor goals - 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. The hope is that country plans can be tabled at the 1996 Leaders Meeting in the Philippines; that another collective process of consultations on, and further refinement and balancing of, those plans can be completed reasonably soon thereafter; and that implementation can begin straight after that. Osaka will be important, as well, in producing agreement on a number of concrete measures which can be implemented in the short term, including in the area of mutual recognition of standards and in accelerating some Uruguay Round outcomes.

As we move beyond the Osaka meeting, it will be important that all of us continue to think boldly about the ways in which we can further develop APEC as a key component of a new regional order in the Asia Pacific. This kind of thinking needs to be done within governments, but it is equally important that others contribute to it as well. Let me say in this context, that I do welcome the release at this Conference of the monograph, *Implementing the APEC Bogor Declaration*, by three principal researchers - Dr Andrew Elek, Dr Hadi Soesastro and Professor Ippei Yamazawa - under the auspices of the ANU Australia-Japan Research Centre. Along with the Centre's Head, Dr Peter Drysdale, and Professor Ross Garnaut, they have made considerable contributions to the intellectual development of APEC, to our thinking about the region over many years, and to our

understanding of what it might be possible for us to achieve in the future.

This is not the occasion to dwell upon some of the more rarefied arguments - some of them more metaphysical or theological than practical in character - which we in the Australian Government have had from time to time with our ANU friends, not least on the respective virtues of a pure MFN or more preferentially based route to the Holy Grail of liberalisation. The path presently being taken by the APEC negotiations makes it unnecessary, for the time being, for conversions to be demanded or baptisms undertaken. But I should repeat for the record that, from an Australian Government perspective, our preferred course has always been, and remains, liberalisation on a Most Favoured Nation basis - as the approach which would, on the face of it, best reinforce the underlying principles of the global trading system embodied in the new World Trade Organisation.

One of the most important challenges facing APEC beyond Osaka will be to help set the agenda not just for regional but for new global trade negotiations, continuing the important role it played in the end game of the Uruguay Round, possibly with a view to the early initiation of a whole new global round. We should be seeking to have a major impact on discussion of these issues as we approach the first Ministerial meeting of the WTO in Singapore towards the end of 1996. At a minimum, we should be aiming to achieve, at the global level, further liberalisation of trade in agriculture, the development of fairer global investment rules and real movement on services liberalisation. APEC's own liberalisation has the potential to act as a powerful impetus to broader liberalisation of this kind.

Security cooperation

Although the goal of stability and peace that we want to see further entrenched in the Asia Pacific by the first decade of the next century is clear enough, there are inherent uncertainties and complexities in an environment such as ours which make it much more difficult than in the case of economic cooperation to lay down any detailed road map to take us from here to there.

But what we can do is work to create the institutional conditions and dynamics which will maximise the chances of getting good outcomes. And in this respect I believe the ASEAN Regional Forum - in the creation of which both Australia and Canada played a crucial role at the ASEAN Post Ministerial Conference in Jakarta in 1990 - will have a central part to play in this respect.

Of course 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 repeat - as I often do - Dick Cheney's phrase, is more or less universally accepted in this respect (albeit sometimes more in private than in public statements). Certainly no one is in the business of tearing up familiar bilateral alliances, least of all Australia's or Canada's or Japan's with the United States.

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 - 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. But I think all of us attending its first session in Bangkok a year ago came away with the feeling that something of real weight and value had been set in train. That 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 (including seminars on trust and confidence building hosted by Australia, peace keeping hosted by Canada, and preventive diplomacy hosted by Korea) has served to underline the ARF's viability and its suitability as a vehicle for addressing regional security questions.

All these processes will feed into the second ARF Ministerial Meeting to be held in Brunei next week. I am optimistic that the meeting will produce good substantive discussion on security issues of potential concern to the region, including not only the South China Sea and Korean Peninsula but Myanmar, nuclear testing and hopefully other proliferation issues. I hope that there will be agreement on a substantive forward work program, including follow-up work on the intersessional subjects of peace keeping cooperation, preventive diplomacy and confidence building more generally. Perhaps some agreement will also be able to be reached on some modest specific cooperative measures, including for example the tabling by members of national defence policy statements, along the lines of the short papers Australia and Japan tabled at the ARF Senior Officials Meeting in May.

It is important not to approach the ARF with exaggerated expectations: progress is bound to be evolutionary rather than dramatic in character. But the process is important, and so far it is very much meeting the expectations of those of us who helped to set it moving.

A Shared Asia-Pacific Identity

I think we need to recognise that the extent and pace of the development of cooperative outcomes in the Asia Pacific - in economic, security or anything else - will depend not just

on formal institutionalised developments and on hard-headed perceptions of self-interest in the way these are pursued by governments, business and other organisations in the region. There is - as always in international relations - a psychological dimension to the process. Governments and those they represent have to feel that the enterprise is worthwhile, to feel some common sense of purpose, and some sense of satisfaction and comfort at the outcomes.

The Asia Pacific region is not, on the face of it, very fertile ground for the development of such a shared sense of purpose and comfort. It is - with its various sub-regions, particularly if one includes the Pacific littoral of Latin America as well - one of the world's least homogeneous entities, with little in the way of shared history, culture, demography, language or any other common ties.

Even the sense of being part of a common 'Asia Pacific' region - 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' terminology has really only been in widespread currency since around the time APEC was established in 1989.

The idea, moreover, of there being a common regional identity so close as to make it possible for us to talk in terms of the emergence of an Asia Pacific "community" is an even more recent idea still, and one that some people still see as wildly implausible. The most recent - certainly the most notorious - advocate of Kipling's 19th Century prognosis that "East is East and West is West and ne'er the twain shall meet" is American scholar Samuel Huntington, who has 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" with the Asia Pacific region being one of the major potential battlegrounds in this respect.

My own view, however, is that the phenomenon of convergence is a more powerful idea, and a more powerful reality, in the Asia Pacific than any individual culture, religion-based or otherwise, or any localised combinations of them. The global reality is that countries of very different backgrounds are developing, with the help of modern communications technology, information bases, tastes, outlooks, practices and institutions that are ever more alike - and this phenomenon is, I believe, more alive and well in the Asia Pacific than almost any where else in the globe.

The idea of the emergence of a distinctive sense of Asia Pacific identity, and a real sense of community to go with it - in which the reality of economic interdependence, and the emergence of new regional institutional structures, is buttressed by an emerging psychology of belonging to a larger regional grouping - is steadily gaining hold. Interestingly, some of the strongest advocates of this view are those who in the recent past have been inclined to emphasise the emergence of a new sense of 'Asianised' or 'East

Asian' identity. Yoichi Funabashi of Japan, for example, now says that the most likely outcome of recent developments is not in fact the emergence of a distinctive 'Asian' or 'East Asianised' identity, but what he describes as a new 'Asia Pacific "cross-fertilised" civilisation'. And Kishore Mahbubani of Singapore 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.

We in Australia and Canada can both make important contributions to the emergence of such a sense of shared Asia Pacific identity. We have both wholeheartedly embraced the process of Asia Pacific cooperation; we have welcomed immigrants and students to our shores from around the region; and we are increasingly conscious, not just at an elite decision-making level, but at the level of community consciousness, of just how important this larger region is to our national futures.

It may be that this process is being taken even further in Australia than in Canada, as a function of the reality of our geography, which squarely locates us as part of what I now like to call the East Asian Hemisphere. We have come to accept that the East Asian Hemisphere, within the larger Asia Pacific region, is where we live, where we must find our security and where we can best guarantee our prosperity: 60 per cent of our trade is already with the countries to our north and linkages of every other kind are growing almost exponentially. While Canada's relationship and identification with the countries of the Eastern Pacific rim is just as strong as ours with the countries of the West Pacific, it is of course the case that you have as well some very strong gravity pulls across the Atlantic as well.

Be all that as it may, what matters for present purposes is not the calibration of degrees of difference of interest or outlook between us, but the identification of shared goals, values, commitments and strategies. And here I have absolutely no doubt that we do have a common vision of the kind of Asia Pacific region we would like to inhabit, and an extraordinary degree of like-mindedness as to how we would like to see that vision realised.

It has been a great privilege and pleasure to have that sense of common vision reinforced by the visit to us of Foreign Minister Andre Ouellet, and to have this Conference on Cooperation in the Asia Pacific Region doing so much to develop and articulate its themes. I congratulate everyone associated with the initiation and organisation of the Conference and thank you for this opportunity to participate in it.