

**THE ASIA PACIFIC COMMUNITIES**  
*A Canadian view*

**INTRODUCTION**

I WOULD LIKE TO THANK THE JAPAN PRESS CLUB FOR INVITING ME TO SPEAK TO YOU TODAY.

I ASSUMED MY RESPONSIBILITIES AS CANADA'S AMBASSADOR TO JAPAN IN SEPTEMBER OF LAST YEAR. ALTHOUGH I HAVE HAD THE PLEASURE OF SERVING IN JAPAN IN THE PAST, I HAVE TOLD EVERYONE WHO HAS ASKED ME THAT THE JAPAN TO WHICH I HAVE RETURNED IS VERY DIFFERENT FROM THE JAPAN THAT I LAST LEFT IN 1998, AND CERTAINLY DIFFERENT FROM THE JAPAN OF THE 1970S, WHEN I FIRST CAME TO WORK IN TOKYO, AND IN THE 1980S, WHEN I WORKED IN JAPAN IN BOTH THE PRIVATE SECTOR AND FOR THE CANADIAN GOVERNMENT.

WHEN I ARRIVED IN JAPAN IN 1975, THE PRIME MINISTER WAS MIKI TAKEO, AND THE FOREIGN MINISTER WAS MIYAZAWA KIICHI. THE OKINAWA WORLD FAIR WAS ONE OF THE BIGGEST NEWS STORIES THAT YEAR.

THE MOST POPULAR SONG OF THE YEAR WAS "OYOGETAI YAKIKUN" AND THE MOST SUCCESSFUL JAPANESE FILM WAS "SEISHUN NO MON".

TO BE SUCCESSFUL, DIPLOMATS HAVE TO POSSESS VARIOUS TALENTS AND SKILLS. PERHAPS UNIQUE TO DIPLOMACY, THEY MUST ALSO ESTABLISH A FINE BALANCE BETWEEN CURIOSITY AND DISCRETION, IF THEY ARE TO DO THEIR JOB PROPERLY.

IN MY VIEW, A DIPLOMAT, WHEN POSTED ABROAD, MUST FIRST BE CURIOUS, HE MUST FIRST BE INTERESTED IN HIS COUNTRY OF ACCREDITATION, BE INTERESTED IN ITS HISTORY, ITS SOCIETY, ITS PSYCHOLOGY. IT IS NOT ENOUGH TO STUDY DOMESTIC POLITICS AND FOREIGN POLICY.

CONCENTRATION ON THESE FIELDS ALONE WILL INFORM A DIPLOMAT OF A NARROW SET OF CURRENT CONDITIONS, BUT WILL NOT ALLOW HIM OR HER TO UNDERSTAND THE SOURCE AND DYNAMICS OF POLITICS AND FOREIGN POLICY, NOR PREDICT ITS FUTURE DIRECTION. MORE IMPORTANTLY, IT WILL NOT PERMIT THE DIPLOMAT TO DEVELOP STRATEGIES TO ACHIEVE HIS MOST IMPORTANT OBJECTIVE: THE PROMOTION OF HIS COUNTRY'S INTERESTS.

FOR THIS REASON, SINCE ARRIVING IN JAPAN IN 1975, I HAVE SPENT A GREAT DEAL OF TIME TRYING TO UNDERSTAND BOTH THE VISIBLE AND INVISIBLE PARTS OF THIS GREAT COUNTRY. I HAVE TRIED TO GRASP TODAY'S JAPAN BY STUDYING ITS HISTORY, ITS CULTURE, THE WAYS OF THINKING OF THE JAPANESE PEOPLE.

I WANT TO UNDERSTAND BOTH THE TATEMAE AND THE HONNE, THE OFFICIAL AND THE REAL.

I HAVE SOUGHT TO DO THIS IN VARIOUS WAYS, PRIMARILY BE DEVELOPING FRIENDSHIPS ACROSS A BROAD SWATHE OF JAPANESE SOCIETY, FROM SENIOR POLITICAL AND GOVERNMENT OFFICIALS TO THE FARMERS AND SMALL BUSINESS MANAGERS IN JAPAN'S RURAL AREAS.

I CONFESS TO ENJOYING MY OFFICIAL MEETINGS WITH JAPAN'S LEADERS AS MUCH AS THE INCIDENTALS ENCOUNTERS WITH JAPAN'S SALARIMEN IN THEIR NEIGHBOURHOOD IIZAKAYA.

I HAVE READ MANY BOOKS ABOUT JAPAN, BUT I THINK THAT I HAVE LEARNED MORE ABOUT THE JAPANESE PEOPLE AND THEIR OWN SENSE OF SELF AND THEIR SOCIETY BY WALKING AND CYCLING ALONG THE 88 TEMPLES IN HONOUR OF KOBO DAISHI IN SHIKOKU, OR TRAVELLING AMONG THE ISLANDS OF THE SETONAIKAI.

I HAVE HAD THE SINGULAR FORTUNE OF BEING ASSIGNED FOUR TIMES TO JAPAN, A HAPPY CIRCUMSTANCE DUE MORE

TO THE FAR SIGHTEDNESS OF MY FOREIGN MINISTRY THAN MY PARTICULAR TALENTS.

IF CURIOSITY IS AN ESSENTIAL CHARACTERISTIC OF GOOD DIPLOMATS, OF EQUAL IMPORTANCE IS DISCRETION.

AS REPRESENTATIVES OF FOREIGN GOVERNMENTS, WE ARE EXPECTED TO KEEP OUR OBSERVATIONS AND OUR ANALYSIS TO THE CONFINES OF OUR OWN FOREIGN MINISTRIES. THESE MINISTRIES TEND TO BE NERVOUS WHEN THEIR REPRESENTATIVES TALK TO THE MEDIA, FIRSTLY BECAUSE THE MEDIA ARE NOT OUR PRIME AUDIENCE, AND SECONDLY BECAUSE OUR FIRST RESPONSIBILITY AS DIPLOMATS IS TO BE EFFECTIVE, AND WE REDUCE OUR EFFECTIVENESS WHEN FOREIGN GOVERNMENTS FEAR THAT WE WILL EXCHANGE IN PUBLIC WHAT SHOULD BE KEPT IN PRIVATE.

SO I AM AFRAID I WILL NOT REVEAL ANY GREAT SECRETS TO YOU TODAY, OR PROVIDE YOU WITH INSIDE INFORMATION OR ANALYSIS.

RATHER, WITH BOTH CURIOSITY AND DISCRETION IN MIND, I WOULD LIKE TO SHARE SOME THOUGHTS ON THE GEOPOLITICAL ENVIRONMENT IN WHICH BOTH JAPAN AND CANADA FIND THEMSELVES TODAY.

THESE THOUGHTS, ENTIRELY MY OWN, RESULT FROM MY OWN EFFORT TO UNDERSTAND ELEMENTS OF THE INTERNATIONAL FRAMEWORK IN WHICH JAPAN AND CANADA HAVE TO ACT.

I WANT TO LOOK AT THE ASIAN REGION OVERALL, AND FOCUS ATTENTION ON THE DEVELOPMENT OF ASIAN COMMUNITIES, ON THE VARIOUS WAYS THAT THE COUNTRIES IN THE REGION ASSOCIATE WITH EACH OTHER.

THIS APPROACH IS VERY TIMELY, I THINK, BECAUSE WE OBSERVED IN DECEMBER OF LAST YEAR, IN KUALA LUMPUR, A NEW ATTEMPT TO GATHER TOGETHER SOME OF THE COUNTRIES OF NORTH EAST, SOUTH EAST, OCEANIA AND

SOUTH ASIA, AS THEY DETERMINED WHETHER A NEW FORMAT, A NEW ASSOCIATION, PERHAPS AN EAST ASIAN COMMUNITY OF NATIONS COULD BE CONSTITUTED. THAT IS WHY THE GATHERING OF LEADERS WAS CALLED THE EAST ASIAN SUMMIT.

OF COURSE, "EAST ASIA" WAS HARDLY THE DEFINING GEOGRAPHIC AREA. IT WOULD PERHAPS HAVE BEEN BETTER TO CALL IT THE "ASIAN SUMMIT" BECAUSE THAT IS WHAT IT WAS.

IN ANY EVENT, FOLLOWING THE SUMMIT ON DECEMBER 14, INTERESTED GOVERNMENTS FROM AROUND THE WORLD, A LARGE PRESS CONTINGENT, AND THE STRATEGICALLY INCLINED BUSINESS, MILITARY AND ACADEMIC CLASSES THAT FOLLOW THESE THINGS SOUGHT TO DETERMINE, FROM THE DIPLOMATICALLY NEUTRAL LANGUAGE OF THE DECLARATION AND THE CHAIRMAN'S STATEMENT, WHETHER THE FIRST STIRRINGS OF A FULLY FLEDGED AND CLEARLY IDENTIFIABLE EAST ASIA COMMUNITY COULD BE DISCERNED.

FEW ASKED WHAT THE PURPOSES OF A GREATER EAST ASIAN COMMUNITY MIGHT BE, OR WHETHER ANY SINGLE GROUPING OF SUCH DIVERSIFIED COUNTRIES AND SOCIETIES COULD MEET ALL OF THE CONTEMPORARY NEEDS OF DEVELOPED AND DEVELOPING STATES IN MATTERS OF POLITICAL LINKAGES, ECONOMIC DEVELOPMENT AND SECURITY.

BUT DID THE KUALA LUMPUR MEETING CREATE A NEW COMMUNITY?

LET ME FIRST SUMMARIZE MY VIEWS ON THIS QUESTION.

### **SUMMARY VIEW**

THE ASIAN COMMUNITY OF NATIONS, CONTIGUOUS WITH THE ASIAN LAND MASS, FROM JAPAN TO INDIA, IS NOT ACHIEVABLE. FROM THE VARIOUS OR COMBINED PERSPECTIVES OF POLITICAL ASSOCIATION, ECONOMIC INTEGRATION OR REGIONAL SECURITY, THE NATIONAL

INTERESTS OF ALL MAJOR AND MOST MINOR PLAYERS VARY SIGNIFICANTLY.

AN ASIAN POLITICAL ASSOCIATION OF SHARED GEO-STRATEGIC OBJECTIVES AND ACCEPTANCE OF A HIERARCHY OF POWER AND INFLUENCE IS NOT POSSIBLE WITHOUT THE CONCURRENCE OF CHINA AND JAPAN AND THE ASEAN 10.

AN EFFECTIVE ASIAN ECONOMIC COMMUNITY, ONE THAT MEASURABLY OPTIMIZES THE BENEFITS OF REGIONAL ECONOMIC COOPERATION, IS NOT POSSIBLE WITHOUT THE PARTICIPATION OF THE US ECONOMY.

AN ASIAN SECURITY COMMUNITY CANNOT BE BUILT ABSENT MUTUAL TRUST, SHARED FUNDAMENTAL VALUES AND AN ACCEPTANCE OF MILITARY LEADERSHIP BETWEEN THE MOST MILITARILY POWERFUL PLAYERS, CURRENTLY JAPAN AND CHINA.

AN ASIAN COMMUNITY BASED SOLELY ON AN AMORPHOUS 'ASIAN IDENTITY' SUCH AS IS PROPOSED BY THE MALAYSIAN EAST ASIA COMMUNITY NOTIONS IS NOT ACCEPTABLE TO JAPAN, WHICH SINCE THE MEIJI RESTORATION, HAS VARIOUSLY BALANCED IT WESTERN AS WELL AS ASIAN ORIENTATIONS. THIS IS ONE OF THE REASONS JAPAN WAS SO ACTIVE IN PROMOTING AUSTRALIAN, NEW ZEALAND AND INDIAN PARTICIPATION AT THE KUALA LUMPUR EAST ASIAN SUMMIT IN DECEMBER. PERHAPS ABANDONNING THE NOTION OF AN EAST ASIAN IDENTITY, ASEAN AND ULTIMATELY CHINA CONCURRED TO THE PRESENCE OF THESE NON EAST ASIAN NATIONS.

ALL OF THAT SAID, CENTRIPETAL DYNAMICS ARISING FROM GEOGRAPHY, THE NEED TO MANAGE TRANSNATIONAL PROBLEMS, ECONOMIC INTEGRATION AND SECURITY CONCERNS RESULTS, AT THIS POINT IN HISTORY, IN THE DEVELOPMENT OF NOT ONE, BUT RATHER THREE VERY IMPORTANT COMMUNITIES IN ASIA:

1. ASEAN, AND ITS GROWING CONSTELLATION OF REGIONAL POLITICAL AND ECONOMIC LINKAGES;
2. THE ASIA PACIFIC ECONOMIC COMMUNITY, DRIVEN BY ECONOMIC REGIONALISM AND GENERALLY CO-TERMINUS WITH APEC; AND,
3. THE TRANS-PACIFIC SECURITY COMMUNITY, LED BY THE UNITED STATES, AND INCLUDING JAPAN, ROK, THE PHILIPPINES, INDONESIA, SINGAPORE, THAILAND AND TAIWAN.

THESE, IN THE EARLY YEARS OF THE 21<sup>ST</sup> CENTURY, ARE THE DEFINING COMMUNITIES OF ASIA. THE FORMAL EAST ASIA COMMUNITY, HERALDED AT THE KUALA LUMPUR SUMMIT LAST DECEMBER, WILL NOT IN THE FORESEEABLE FUTURE SUPPLANT ANY OF THE EXISTING GROUPINGS. IT WILL STRENGTHEN ASEAN'S CONTINUING ROLE AS THE ONLY ACCEPTABLE EAST ASIAN CONVENING POWER, AND HOPEFULLY ASSIST IN THE PROCESS OF ECONOMIC INTEGRATION, NOW FORMALLY LEAD BY APEC.

LET ME DESCRIBE THESE THREE EXISTING COMMUNITIES.

### **THE FIRST COMMUNITY: ASEAN, AS THE LEAD POLITICAL COMMUNITY**

THE FIRST AND, IN MANY WAYS EVEN TODAY, THE PRINCIPAL POLITICAL DRIVER OF INTEGRATIVE TRENDS IN EAST ASIA IS ASEAN. IT HAS ACHIEVED AND MAINTAINED ITS PRIMACY THROUGH POLICY INITIATIVES AS MUCH AS THROUGH FORTUITOUS CIRCUMSTANCES, BOTH INTERNAL AND BEYOND ITS MEMBERSHIP.

ASEAN IS A COMMUNITY THAT HAS BEEN BUILT IN STAGES. ITS FIRST INCARNATION WAS THE FORMATIVE GROUPING OF 5 SOUTHEAST ASIAN NATIONS IN 1967: INDONESIA, MALAYSIA, PHILIPPINES, THAILAND AND SINGAPORE.

FROM THE OUTSET, ASEAN WOULD REMAIN AN OPEN ORGANIZATION, EXPLICITLY INVITING THE PARTICIPATION OF OTHER SOUTHEAST ASIAN COUNTRIES; WITH THE RESULT THAT TODAY IT GROUPS 10 COUNTRIES.

FURTHERMORE, ASEAN WOULD AND DID DEVELOP FORMULAS TO PROMOTE ASSOCIATIONS WITH NON-SOUTHEASTERN COUNTRIES. THE TREATY OF AMITY AND COOPERATION IN 1976 EXTENDED AN INVITATION FOR COOPERATION TO ALL NATIONS, 'BOTH WITHIN AND OUTSIDE SOUTHEAST ASIA'. TODAY, ASEAN HAS 11 DIALOGUE PARTNERS, INCLUDING FAR-FLUNG CANADA, THE EU AND RUSSIA. THE FOREIGN MINISTERS OF THESE 11 PARTNERS DUTIFULLY TROOP DOWN TO THE ANNUAL MEETING WITH THEIR ASEAN COUNTERPARTS IN ONE OF THE REGION'S CAPITALS. THEIR GATHERINGS HAVE SPAWNED ANOTHER MAJOR REGIONAL DIALOGUE MECHANISM, THE ASEAN REGIONAL FORUM,

ASEAN'S FIELD OF ENDEAVOR WOULD BE BROAD AND FLEXIBLE: ECONOMIC, SOCIAL, CULTURAL, SCIENTIFIC, EDUCATION, TRADE AND INDUSTRY, TRANSPORTATION, COMMUNICATIONS AT THE OUTSET, AND NOW VARIOUS DIALOGUES ON SUCH ISSUES AS AGRICULTURE, CUSTOMS, DISPUTE SETTLEMENT, FINANCE AND SO FORTH.

THESE HAVE PROVIDED THE UNDERPINNINGS OF ASEAN FREE TRADE AREA, THE ASEAN ECONOMIC COMMUNITY, THE ASEAN-CHINA FREE TRADE AREA, ASEAN PLUS THREE DIALOGUES, AND AN AGENDA OF NEGOTIATIONS WITH JAPAN, AUSTRALIA AND NEW ZEALAND.

SIGNIFICANTLY, THEN AS NOW, THIS NASCENT COMMUNITY DID NOT SEEK TO AGREE ON EXPLICIT SECURITY ARRANGEMENTS WITHIN THE CONTEXT OF THEIR CLOSER ASSOCIATION.

THE MILITARY DIMENSIONS OF THE SECURITY CONCERNS WERE NOT TO BE ADDRESSED BY ASEAN, NOR WAS EXTERNAL MILITARY INVOLVEMENT ENCOURAGED. RATHER, SECURITY, INITIALLY, WOULD BE ENHANCED THROUGH

EFFORTS AT INCREASING ECONOMIC AND POLITICAL INTERDEPENDENCE. STILL, INDIVIDUAL ASEAN MEMBERS, THEN AS NOW, COULD FORGE OR MAINTAIN NATIONAL SECURITY POLICIES THAT RELIED ON OUTSIDE POWERS, IN PRACTICE, THE UNITED STATES. ASEAN AS A GROUP HOWEVER ESCHEWED SUCH LINKAGES.

THUS, ASEAN'S POWER RESTS ON SEVERAL PILLARS:

1. THE PRINCIPLES PROPOUNDED BY ASEAN – GRADUALISM, OPENNESS, FUNCTIONAL PARTNERSHIPS, COLLABORATION THROUGH COOPERATION RATHER THAN LEGALLY BINDING COMMITMENTS, CONSENSUS DECISION-MAKING, SECURITY THROUGH ECONOMIC GROWTH AND COOPERATION – AND ITS BROAD AGENDA ENCOMPASSING ECONOMIC, SOCIAL, TECHNICAL, SCIENTIFIC FIELDS, UNDERLIE SUBSEQUENT FORMS OF REGIONAL ASSOCIATION. TAKEN TOGETHER, THESE PRINCIPLES HAVE BECOME KNOWN AS THE 'ASEAN WAY'. ASEAN HAS THUS SET THE GROUND RULES FOR COLLABORATIVE INSTITUTIONAL DEVELOPMENT FOR ARF, APEC AND THE NEW EAS.
2. OVER FOUR DECADES, ASEAN HAS ADAPTED ITS MEMBERSHIP AND ITS INSTITUTIONS TO KEEP AHEAD OF OTHER CENTRIPETAL FORCES THAT HAVE EMERGED IN THE REGION.
3. IT HAS DEVELOPED AN AGENDA THAT BRINGS REAL-WORLD BENEFITS TO ITS MEMBERS, PRIMARILY THROUGH EXPANDED AND REGIONAL ECONOMIC INTEGRATION.
4. IT HAS MANAGED RELATIONS WITH THE REGIONAL POWERS – THE UNITED STATES, JAPAN AND NOW CHINA AND INDIA – IN WAYS CONSISTENT WITH THE INTERESTS OF THESE IMPORTANT PLAYERS.
5. IT HAS ADDRESSED SECURITY ISSUES THROUGH ECONOMIC INTEGRATION, AND THROUGH THE SOFT



AGENDA OF THE ASEAN REGIONAL FORUM, WHERE THE FOCUS HAS BEEN ON ELUCIDATING CONCEPTS OF 'COMMON SECURITY' AND 'MUTUAL SECURITY', AND ENCOURAGING TRANSPARENCY AND CBMs.

6. FORCE MAJEUR, IT HAS BENEFITED FROM THE FACT THAT NONE AMONG THESE FOUR REGIONAL POWERS, BECAUSE OF COMPETITION AMONG THEM, HAS COMPARABLE CONVENING POWER.

ASEAN'S CURRENT WEAKNESSES – SMALL ECONOMIES, LOSS OF INVESTMENT TO CHINA, CHINESE AND EVENTUALLY INDIAN COMPETITION AT THE BOTTOM OF THE MANUFACTURING CHAIN - HAVE NOT PREVENTED IT FROM DEVELOPING ITS VERY EXPANSIVE INTERNAL DYNAMICS.

NOR HAVE ITS WEAKNESSES DIMINISHED ITS CONVENING POWER. IT REMAINS THEREFORE A STRONG COMMUNITY. IT RISKS BECOMING A WEAK COMMUNITY WHEN THE CIRCUMSTANCES AND POLITICAL ALIGNMENTS PASS THE POLITICAL LEADERSHIP TO ONE OF THE LARGE POWERS, SUCH AS CHINA, JAPAN, OR INDIA.

### **THE SECOND COMMUNITY: APEC, AS THE SYMBOL OF ECONOMIC INTEGRATION**

THE CREATION OF ASEAN, IN THE 1960S, PRECEDED BY 10 YEARS THE GROWTH IN INVESTMENT AND TRADE AMONG THE COUNTRIES OF NORTH AND SOUTHEAST ASIA AND ACROSS THE PACIFIC; BY 20 YEARS, THE AVAILABILITY OF COMMUNICATIONS AND INFORMATION PROCESSING TECHNOLOGIES THAT WOULD GLOBALIZE MANUFACTURING CAPACITY AND LEAD TO EVEN HIGHER LEVELS OF ECONOMIC GROWTH IN THE REGION; AND BY 30 YEARS THE EMERGENCE OF CHINA AS AN ECONOMIC AND POLITICAL GIANT.

THE MOTIVE FORCE FOR THE SECOND COMMUNITY HAS BEEN ECONOMIC INTEGRATION. AUSTRALIAN, JAPANESE, AMERICAN AND CANADIAN ACADEMICS IN PARTICULAR BEGAN NOTICING THE GRAVITATIONAL PULL AMONG THE JAPANESE, AMERICAN,

TAIWANESE AND SOUTHEAST ASIAN ECONOMIES IN THE MID-1970S. BY THE LATE 80S, AUSTRALIA ORGANIZED A MEETING OF MINISTERS FOR THE FIRST INFORMAL DIALOGUES AIMED AT DISCUSSING THE PHENOMENON OF INTEGRATION, AND POSSIBLE MEANS TO OPTIMIZE ITS BENEFITS. THE US INVITATION TO THE HEADS OF STATE OF AN EMERGING ASIA PACIFIC ECONOMIC COMMUNITY TO MEET AT BLAKE ISLAND IN 1993 GAVE BIRTH TO APEC.

THE ASIA PACIFIC ECONOMIC COMMUNITY IS FIRST AND FOREMOST AN ECONOMIC PHENOMENON. IT CONSISTS OF AN IMMEASURABLY LARGE NUMBER OF LINKAGES ARISING FROM THE TRADE IN GOODS AND SERVICES, TRANS-NATIONAL INVESTMENTS, CORPORATE PARTNERSHIPS, R&D RELATIONSHIPS, INTRA- AND INTER-COMPANY MANUFACTURING SUPPLY CHAINS, OUTSOURCING OF SERVICES. THE PROCESS IS PRIMARILY MICRO-ECONOMIC, AUTONOMOUS, BUSINESS-TO-BUSINESS, AND THE FORMATIVE ENGINE HAS BEEN THE VAST ECONOMIES OF SCALE AND EFFICIENCIES SPAWNED BY BRAND NEW AND HIGHLY EFFICIENT COMMUNICATIONS TECHNOLOGIES AND THE PROCESSING OF INFORMATION. INTEGRATION HAS ALSO BEEN ADVANCED BY EXTENSIVE JAPANESE INVESTMENTS IN THE REGION, AND THE INVESTMENTS AND TRADING ACTIVITIES OF THE CHINESE DIASPORA, PARTICULARLY IN TAIWAN AND SOUTH EAST ASIA.

TAKEN AS A WHOLE, THE CUMULATIVE FORCE OF THESE CONTACTS HAS TRANSFORMED THE REGIONAL AND GLOBAL LANDSCAPES. THE INITIAL PROCESSES HAVE BEEN MICRO-ECONOMIC BUT THE RESULTING PHENOMENON IS MACROECONOMIC, AND THE END RESULT IS TRANS-PACIFIC ECONOMIC INTEGRATION ON AN UNPRECEDENTED SCALE. AND IT HAS LEAD TO THE CREATION OF APEC.

WHILE TREMENDOUSLY SIGNIFICANT AS AN ECONOMIC PHENOMENON, ONE MUST ASK AN IMPORTANT QUESTION: DOES REGIONAL ECONOMIC INTEGRATION AND THE FORMAL STRUCTURE OF APEC SERVE OTHER, NON-ECONOMIC PURPOSES?

APEC IS THE ONLY VENUE, EXCLUDING THE UNITED NATIONS, WHICH BRINGS TOGETHER, ANNUALLY, THE LEADERS OF CHINA, RUSSIA, THE US AND JAPAN, AS WELL AS THE ALL OF THE LARGEST TRANS-PACIFIC ECONOMIES. LEADERS USE BOTH FORMAL AND INFORMAL VENUES DURING THEIR SUMMITS TO DISCUSS COLLECTIVELY OR IN SMALLER GROUPS WHAT IT IS THAT THEY TRULY HAVE ON THEIR MINDS.

THE PERSONAL LINKAGES THAT LEADERS DEVELOP AT THESE SUMMITS CAN BUILD THE TRUST AND MUTUAL RESPECT THAT IS ESSENTIAL FOR THE RESOLUTION OF PROBLEMS, SOME BILATERAL, THAT CAN FAR TRANSCEND THE OSTENSIBLE AGENDAS OF THE COMMUNITIES OF WHICH THEY ARE MEMBERS.

APEC AND THE FORCES OF ECONOMIC INTEGRATION ALSO REINFORCE THE LIBERAL VIEW THAT THE MORE COUNTRIES TRADE WITH EACH OTHER AND COLLABORATE ON COMMON ENDEAVORS, THE LESS LIKELY THEY WILL CHOOSE CONFLICT AND MILITARY SOLUTIONS TO SOLVE THEIR DIFFERENCES, AS THE COST OF DOING SO BECOMES PROHIBITIVE.

THE DEVELOPMENT OF SHARED NORMS AND STANDARDS INFLUENCE STATE BEHAVIOR, IT IS ARGUED. EVEN IF THOSE PROMOTING THE OPTIMIZATION OF ECONOMIC INTEGRATION THROUGH INTER-GOVERNMENTAL COLLABORATION AND RULES RARELY MAKE THE LINKAGE, THEY DO MAKE IT HARDER FOR OTHERS TO ARGUE THAT SOMEHOW LESS INTEGRATION WOULD PROVIDE GREATER ECONOMIC BENEFITS AND MORE SECURITY. RULES, INCLUDING THOSE DEVELOPED BY OUTSIDE INSTITUTIONS, SUCH AS THE WTO, WILL MANAGE CONFLICT MUCH BETTER WHEN THEY ARE EXPLICIT COMPONENTS OF A SHARED COMMUNITY.

ACCORDINGLY, THE ASIA PACIFIC ECONOMIC COMMUNITY CONTRIBUTES NOT ONLY TO ECONOMIC DEVELOPMENT, BUT TO STRENGTHENING POLITICAL TIES AND ENHANCING A SENSE OF SECURITY.

## **THE THIRD COMMUNITY: THE TRANS-PACIFIC SECURITY COOPERATION**

SINCE THE END OF WORLD WAR II, SUCCESSIVE DEVELOPMENTS SUCH AS THE US OCCUPATION OF JAPAN AND KOREA, THE COLD WAR, COMMUNIST INSURGENCIES IN SOUTH EAST ASIA, THE KOREAN AND VIETNAM WARS, MUSLIM INSURGENCIES AND THREATS TO MARITIME SECURITY IN SOUTH EAST ASIA HAVE DRIVEN THE DEVELOPMENT OF NATIONAL AND REGIONAL SECURITY POLICIES.

THESE FORCES HAVE LEAD TO EXTENSIVE COOPERATION AS WELL AS COMPETITION IN THE REGION. TAKEN ALL TOGETHER, THESE AND OTHER FACTORS SUCH AS HISTORY AND THE GLOBAL REACH OF THE UNITED STATES HAVE CREATED AN EXTREMELY COMPLEX AND DYNAMIC SECURITY ENVIRONMENT. THE RESULT IS A MIX OF FORMAL AND INFORMAL AGREEMENTS THAT BALKANIZE RATHER THAN UNITE THE EAST ASIAN COLLECTION OF COUNTRIES. THEY MAKE THE CREATION OF A TRULY COMPREHENSIVE ASIAN SECURITY COMMUNITY UNLIKELY IF NOT IMPOSSIBLE.

THE RESULTING ARRANGEMENTS ARE HETERODOX, TO SAY THE LEAST.

FIRST AND FOREMOST, THERE IS THE USA LEAD SECURITY COMMUNITY.

JAPAN, KOREA, AUSTRALIA AND NEW ZEALAND HAVE DETERMINED THAT THEIR NATIONAL SECURITY WILL BE BASED IN PART ON FORMAL ALLIANCES WITH THE UNITED STATES. WITH THE EXCEPTION OF ANZUS, THESE ARE HUB AND SPOKE ARRANGEMENTS, WITH THE US CLEARLY IN THE ROLE OF THE HUB.

US INVOLVEMENT IN SOUTH EAST ASIA REMAINS SIGNIFICANT, BUT IT TOO IS ENTIRELY BILATERAL IN NATURE. JOINT EXERCISES, MIL-MIL TALKS, INTELLIGENCE EXCHANGES AND LAW ENFORCEMENT COOPERATION ARE ALMOST ENTIRELY

ON A ONE-ON-ONE BASIS. EFFORTS AT MULTILATERALIZING OR REGIONALIZING THESE EXCHANGES HAVE HAD LIMITED SUCCESS.

US COMMITMENTS TO TAIWANESE SECURITY IS STRONG IS THE DETAILS ARE AMBIGUOUS. THE EXTENT OF US COMMITMENT TO PROTECT TAIWAN AGAINST POSSIBLE CHINESE AGGRESSION IS DEFINED SOMEWHERE BETWEEN THE SHANGHAI DECLARATION AND THE "THREE NO'S" OPPOSING TAIWANESE INDEPENDENCE, AND THE BUSH ADMINISTRATION AND VARIOUS CONGRESSIONAL STATEMENTS OPPOSING THE USE OF FORCE BY CHINA IN THE PURSUIT OF ITS POLICY TO REUNITE TAIWAN TO THE MAINLAND.

IN SUM, ALL OF THE ARRANGEMENTS HAVE THE US IN THE MIDDLE, AT THE HUB, WITH FEW FORMAL ARRANGEMENTS LINKING THE SPOKES.

NEVERTHELESS, IT IS POSSIBLE TO SPEAK OF A TRANS-PACIFIC SECURITY COMMUNITY, LINKING THE USA, ROK, JAPAN, TAIWAN, AUSTRALIA, NEW ZEALAND, THE PHILIPPINES, INDONESIA, THAILAND AND SINGAPORE.

SECURITY CONCERNS HOWEVER ARE NOT THE ONLY SOURCE OF AFFINITY AMONG THE COUNTRIES OF THE TRANS PACIFIC SECURITY COMMUNITY.

EQUAL IN COHESIVE FORCE IS THE FACT THAT THESE COUNTRIES, TO VARYING DEGREES, SHARE FUNDAMENTAL VALUES. THEY BELIEVE, EVEN AS THEY IMPLEMENT THEM WITH VARYING DEGREES OF COMMITMENT, IN HUMAN RIGHTS, RULE OF LAW, DEMOCRATIC GOVERNANCE AND THE PEACEFUL RESOLUTION OF CONFLICT. TO A SURPRISING DEGREE, GIVEN THE DIFFERENCES IN CULTURE AND HISTORY, THEY BELIEVE THAT THERE ARE LIMITS TO THE POWER THAT GOVERNMENTS SHOULD BE ALLOWED TO EXERCISE IN THE GOVERNANCE OF THEIR OWN PEOPLE.

**WHERE DOES CANADA FIT IN ALL OF THIS?**

CANADA IS NEITHER A MEMBER OF ASEAN, NOR A FORMAL US ALLY IN THE ASIA PACIFIC REGION. BUT IT IS, IN IMPORTANT WAYS, LINKED TO ALL THREE COMMUNITIES.

OF COURSE, WE ARE AND HAVE BEEN FROM THE OUTSET A FULL MEMBER OF APEC, THE REPRESENTATIVE INSTITUTION OF THE ASIA PACIFIC ECONOMIC COMMUNITY. IT IS OUR PRINCIPAL VEHICLE FOR INFLUENCING THE DIRECTION OF REGIONAL ECONOMIC POLICY AND REGULATORY DEVELOPMENT.

BUT AS NOTED ABOVE, BECAUSE APEC GATHERS NATIONAL LEADERS TOGETHER ON AN ANNUAL BASIS, IT IS ALSO THE PRIMACY TOOL FOR OUR OVERALL POLITICAL COMMITMENT TO THE REGION. WE ARE THE FOURTH LARGEST ECONOMY OF THE APEC FAMILY. OUR IMMIGRATION POLICIES PROVIDE AN 'ASIAN COMPLEXION' TO OUR CANADIAN FAMILY. OUR STANDARD OF LIVING, OUR LEADERSHIP IN SCIENCE AND TECHNOLOGY, AND CONNECTIONS TO GLOBAL SUPPLY CHAINS WILL INCREASINGLY PLAY THEMSELVES OUT IN ASIA.

WE ARE PART OF THE ASEAN-LED POLITICAL COMMUNITY, THROUGH OUR LONG-TERM 'DIALOGUE PARTNER' STATUS AND OUR PARTICIPATION IN THE ARF. THE ARF'S 'SOFT' AGENDA IS COMPLETELY COMPATIBLE WITH THE THRUST OF CANADA'S PEACE AND HUMAN SECURITY AGENDA. GOOD IDEAS AND MINISTERIAL ATTENTION GUARANTEE OUR PLACE AT THAT TABLE.

OUR SECURITY TIES TO THE UNITED STATES ARE THROUGH NORAD AND NATO. BUT WE RETAIN RESIDUAL RESPONSIBILITIES AS A MEMBER OF THE KOREAN ARMISTICE. INDEED, CANADIAN FORCES HAVE ACCESS TO JAPAN THROUGH THE UN STATUS OF FORCES AGREEMENT THAT CONTINUES TO UNDERPIN THE UN'S ROLE ON THE KOREAN PENINSULA.

**WHERE DOES JAPAN FIT IN ALL OF THIS?**

INTERESTINGLY, JAPAN HAS UNIQUE ROLES IN EACH OF THE THREE COMMUNITIES.

JAPAN TOOK AN EARLY INTEREST IN ASEAN, RECOGNIZING ITS POTENTIAL AS AN EFFECTIVE INTEGRATIVE FORCE FOR THE SOUTH EAST ASIAN REGION. IN PARTICULAR, THE DIPLOMACY OF PRIME MINISTERS TANAKA AND FUKUDA HELPED DIRECT JAPANESE ECONOMIC COLLABORATION WITH THE REGION. THE JAPANESE PRIVATE SECTOR DID MUCH OF THE REST, THROUGH EXTENSIVE INVESTMENT IN RESOURCES AND MANUFACTURING IN EACH OF THE ASEAN MEMBER COUNTRIES.

LIKE CANADA, IT HAS BEEN AN EARLY MEMBER OF THE FAMILY OF ASEAN DIALOGUE PARTNERS, BUT NOW ALSO HAS A PRIVILEGED POSITION AS A MEMBER OF THE ASEAN PLUS THREE GROUPING.

AND IF YOU BELIEVE AS I DO THAT ASEAN REMAINS AT THE HEART OF THE EAST ASIA COMMUNITY AND SUMMIT PROCESS, JAPAN HAS CONTRIBUTED TO STRENGTHENING THE PRINCIPLES OF OPENNESS AND TRANSPARENCY IN THE REGION BY ADVOCATING THE PARTICIPATION OF AUSTRALIA, NEW ZEALAND AND INDIA. JAPANESE DIPLOMACY THUS REMAINS RELEVANT AND EFFECTIVE IN SHAPING THE ASEAN LED POLITICAL COMMUNITY.

JAPAN'S BUSINESS COMMUNITY, AND EVENTUALLY INTELLECTUALS AND POLITICAL LEADERS CAN RIGHTLY CLAIM FOUNDING MEMBER STATUS FOR THE ASIA PACIFIC ECONOMIC COMMUNITY.

AS EARLY AS DURING THE SATO EISAKU ADMINISTRATION, JAPAN HAS FOCUSED IMMENSE DIPLOMATIC ATTENTION ON THE REGION. JAPAN WAS INSTRUMENTAL IN CREATING THE ASIA DEVELOPMENT BANK AND PROMOTED THE IDEA OF A "PACIFIC FREE TRADE AREA AS EARLY AS 1967.

JAPANESE INVESTMENT BECAME ONE OF THE DRIVING FORCES OF INTEGRATION, FROM THE 1960s ONWARD. JAPANESE, ALONG WITH AUSTRALIAN AND CANADIAN ACADEMICS AND INTELLECTUALS FIRST ANALYZED AND PUBLICIZED THE GROWING REGIONAL ECONOMIC DEPENDENCE AND DYNAMIC IN THE 1970s. PRIME MINISTER OHIRA MASAYOSHI PROVIDED POLITICAL LEVERAGE TO THE IDEA OF REGIONAL ECONOMIC INTEGRATION IN 1980. JAPAN ALSO LED ON THE CREATION OF THE PACIFIC ECONOMIC COOPERATION COUNCIL IN 1980, THE FIRST REGIONAL GROUPING TO LINK BUSINESS, GOVERNMENT AND ACADEMIA. JAPAN CONTINUES TO PROVIDE LEADERSHIP TO APEC.

AND OF COURSE, JAPAN, WITH A LARGE MILITARY ESTABLISHMENT AND AS A CLOSE ALLY OF THE UNITED STATES, IS INCREASINGLY ENGAGED IN REGIONAL SECURITY ISSUES.

THUS, JAPAN, AS THE WORLD'S SECOND ECONOMY, IMPORTANT SOURCE OF INVESTMENT AND BUSINESS LINKAGES THROUGHOUT THE REGION, KEY SOURCE OF ODA AND INVESTMENT, AND IMPORTANT PARTNER OF THE USA, HAS A UNIQUE ROLE TO PLAY IN ALL THREE OF THE OVERLAPPING ASIAN COMMUNITIES. EACH OF THESE COMMUNITIES CONTRIBUTES, IN DIFFERENT WAYS, TO JAPAN'S PROSPERITY AND SECURITY AS WELL AS THE PROSPERITY AND SECURITY OF THE REGION AS A WHOLE.

## **CONCLUSION**

THE NATIONS ON THE WESTERN AND EASTERN COASTS OF THE PACIFIC OCEAN ARE ENJOYING UNPARALLELED PROSPERITY AND PEACE. ALL COUNTRIES IN THE REGION MUST CONTRIBUTE TO MAINTAINING THESE BENIGN CONDITIONS.

THE THREE COMMUNITIES - THE POLITICAL COMMUNITY AROUND ASEAN, THE ECONOMIC COMMUNITY REPRESENTED BY APEC, AND THE EFFECTIVE TRANSPACIFIC SECURITY COMMUNITY - THESE COMMUNITIES HAVE BEEN EFFECTIVE



JAPAN PRESS CLUB PRESENTATION ON ASIAN COMMUNITIES  
150206

- 17 -

INDIVIDUALLY AND, BECAUSE OF OVERLAPPING  
MEMBERSHIPS, WORKING IN HARMONY OR, MORE TO THE  
POINT, NOT AT CROSS PURPOSES.

THE COMMUNITIES ARE PROVING THAT WHILE GEOGRAPHY  
REMAINS IMPORTANT, A HARMONY OF INTERESTS IS THE KEY  
FACTOR ASSURING THE LONG TERM PROMOTION OF PEACE  
AND PROSPERITY OF THIS VAST, TRANS-PACIFIC REGION.

THANK YOU.

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