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“East Asian Community” and Japan's Role

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During my 7 and half year service in the 1990s as Deputy Secretary General of the Organisation for Economic Cooperation and Development (OECD), I initiated and concluded a study entitled “The World in 2020—Towards a New Global Age” In the course of this research I assumed that the 21st-century world economy would evolve into the new world order of tripolar structure comprising enlarging European Union (EU), expanding North American Free Trade Area (NAFTA) and a dynamically developing Asian economic zone.

In East Asia, the movement towards the establishment of “East Asian Community” started under the initiative by ASEAN, whose economies were seriously damaged by the financial crisis of 1997. The movement developed the forum of ASEAN + 3 (Japan, China and Korea), and the leaders from the East Asian countries are scheduled to discuss on the matter of East Asian Community, at the 1st East Asian Summit to be held in Malaysia on 14 December, this year.

I welcome the movement, but I am afraid to say that the prospects are not necessarily favorable, due to the fact that there are significant differences on the idea of “East Asian Community” among Japan, ASEAN, China and Korea, especially between Japan and China, and also due to the fact that there are political and emotional discords between Japan and both China and Korea, over the historical issues of the past.

However, today, I would like to focus on the future rather than the unfortunate past, and propose how we can establish the really effective “East Asian Community” by overcoming the barren conflicts from the past.

1. “East Asian Community” with Asian Identity

It has been considered to be extremely difficult for Asian countries, with different and varied religion, culture, political situation and different stages of economic development, to form a community. But I believe that by taking advantage of this very characteristics of Asia, we could form a really Asiatic community with Asian identity, which is different from the case of EU. In other words, we should aim at a community with Asian value, which is more flexibly and leniently integrated, respecting the differences of each other.

2. Towards the Establishment of “East Asian Community”

What is essential to establish a “Community” is to foster mutual understanding and a “sense of community” among the members of the community. It is more so, if the “Community” is leniently integrated. So I would like to suggest how we can create the climate to establish such “East Asian Community”, in the following.

First, heart-to-heart talks and contacts between the governments and political leaders in East Asia:

It is regrettable that sixty years after the end of World War II, the disputes

between Japan and both China and South Korea over the issues of history still remain unsettled, yet at least for the moment, leaders are not in the political climate to hold talks through reciprocal visits, causing concern for the rest of Asia as well. Joint studies on historical issues by the researchers from the three nations should help narrow the gaps in historical perceptions, and promote understanding between the governments concerned. I am of the view that Japan should take more proactive initiative to promote understanding among conflicting countries and should try to find the breakthrough, reflecting on Japan's mistake in the past.

Second, student exchange:

It is also vitally important to build mutual understanding and confidence among the young generations. Offering the chances to attend schools in other countries helps a great deal to know more about other countries, thus promoting mutual understanding among the young generations. I propose that the Japanese government give scholarships to a greater number of promising students from Asia as a part of official development assistance.

Iwate Prefectural University, where I started working as President since this April, invited several students from Dalian Jiatong University starting from this October. Future plan is to establish student exchange programmes to other universities in China and Asia as well.

Third, sound and constructive co-partnership:

East Asia should establish sound and constructive co-partnership based on long-term perspective, in order to establish a co-operative system in East Asia. In particular, Japan and China should recognise their responsibilities as the most influential countries in East Asia, in establishing a co-operative system. Japan and China never existed as two great powers together at the same time through the history of more than two thousand years. Now that the two countries became two neighbouring great powers, they should learn how to benefit each other, and how to bring benefits to other countries in East Asia as well. They should realise that their unfriendly and futile rivalry confrontation is now causing not only damages to their mutual benefits but also serious economic damages and political instability in East Asia.

Under such circumstances, what is needed to the two countries is to seek more matured, cooperative relationship of "give and take", which is to say, to regard each other as equal partners. This attitude will bring forth the better understanding of each other, and I hope that the magnanimity to accept differences in culture, religion, politics, economy, etc. will lead to fostering the "sense of community".

3. Japan's Role in Establishing "East Asian Community"

To create a "community" that functions effectively, I think that Japan should put forward specific proposals in the following four areas:

First, regional environmental cooperation in East Asia, particularly in the area around Japan, China and South Korea:

Since the pollution in China has serious effects on its neighbors such as Japan, South Korea and Taiwan, regional cooperation for environmental problems is essential, and at the same time, it is an effective way to foster a sense of community among the neighbouring area of Japan.

Second, regional cooperation in energy development:

The rapid growth of energy demand in East Asian countries is raising the possibility of Japan and China - perhaps India and Indonesia as well - scrambling for finite oil resources. Regional cooperation in oil and natural gas development, petroleum stockpiling and sea-lane security, for example, will bring more benefits to the participating countries than if they act individually.

Third, regional cooperation in agriculture, taking the initiative for a “Common Agricultural Policy”:

According to the 1997 OECD report, food consumption will increase most rapidly in Asia through 2020. Japan and China will be the world's two largest food importers, dependent heavily on the supplies from regions such as the U.S., Latin America and Oceania. A “Common Agricultural Policy” would make it possible to diversify suppliers to major importers and ensure food security in East Asia.

Fourth, regional cooperation in Asian currency and finance:

The 1997 Asian financial crisis triggered moves toward regional integration. This attests to the importance of regional cooperation in monetary and financial fields. Talks are already under way to create an Asian Bond Market so that abundant funds in East Asia can be invested in the region. An “Asian Common Currency” will be needed for the monetary and financial stability in East Asia in the coming years.

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The proposed “East Asian Community” should start with ASEAN + 3 as its founding members. In parallel to progress in regional integration, it should be expanded to include Australia and New Zealand, and further, other neighboring countries such as India, to form more open “Asian Community”. Asia, with its large population, economic scale and growth rate, has the potential to become a larger Community than EU and forthcoming FTAA. If Asia realises the really effective and viable “Asian Community” with Asian identity, it would be possible to make the economies of East Asia and Asia at large the most dynamic development centre of world economy in the 21st century.

To attain this goal, Japan should contribute positively to Asia's development and stability, bearing in mind that it is also the way to ensure Japan's own development and stability. I would like to conclude my remarks hoping that Japan, as a good member and co-partner of Asia, could play a vital role in establishing “East Asian Community”, which will bring forth the development and stability to the rest of the world in the long run. Through this, I hope that Asia also could contribute in building the new world order in the globalising world.