

10 APR 1996  
EAEC (Special report)  
MORE EAEC-BASHING IN THE UNITED STATES

By: Salmy Hashim

WASHINGTON, April 10 (Bernama) -- If Malaysia has had enough of "EAEC-bashing", there is more to come. In Japan, pro-American politicians liken the East Asia Economic Caucus (EAEC) to the "dokumanju" or red bean sweets with poison inside while Australian journalists, in Washington at least, disdainfully pronounce the acronym "EE-YACK."

Two books now out in the United States, though not specifically about the Malaysian-proposed EAEC, have enough in them to irk proponents of the idea.

Japanese journalist Yoichi Funabashi, in "Asia Pacific Fusion - Japan's Role in APEC", quoted a Japanese diplomat as saying that the EAEC proposal "came too early and caught Japan off guard."

MITI Economic Cooperation Bureau Director Hidehiro Konno told Funabashi in an interview that Japan is actually saying "no" when it says that the Japanese government is "looking into the matter" (EAEC).

Former Prime Minister Tomiichi Murayama, described as pro-EAEC, was said to be frustrated by the perception of Japan as "parroting the Washington line" to please the Americans.

"What is wrong with EAEC?" he asked when MITI briefers emphasised their cautious position. One of them responded that Japan has for too long automatically viewed the United States and Asia dichotomously. Besides, the MITI official added, "Indonesia, deep down," was also cautious on the EAEC.

In September 1992, as Japan became increasingly alarmed by the North American Free Trade Agreement (NAFTA), Minister of International Trade and Industry Kozo Watanabe was still wary of embracing the EAEC, explaining that it might further drive NAFTA into regionalism.

The then Prime Minister Kiichi Miyazawa also made the same argument to Prime Minister Datuk Seri Dr Mahathir Mohamad that East Asia should remain open to thwart protectionism in the European Community as well.

Minister of International Trade and Industry Ryutaro Hashimoto (now Prime Minister), although cautious about EAEC, then warned the US that Japan might turn to EAEC if NAFTA became a closed trading bloc.

Funabashi writes: "Prime Minister Mahathir evokes latent Asianist sentiment in the hearts of many Asians, including those in Japan...There is something within Japan's national psyche that is drawn to the notion of an all-Asian group. Some fear that if Japan rejects the EAEC proposal today, it may suffer tomorrow if or when the United States disengages from the region and China dominates it.

"Nonetheless, Mahathir's EAEC proposal has crystallised Japan's embryonic Asianist yearnings: the "pro-Asia" bureaucrats who have obtained important posts in the Ministry of Finance and the Ministry of Foreign Affairs are often more inclined to support the EAEC, some politicians have promoted an EAEC federation and Finance Minister Masayoshi Takemura gave clear support to Mahathir in January 1995, promising that Japan would try to persuade the United States to accept the creation of the EAEC."

Meanwhile, former US Ambassador to Japan Michael H. Armacost, in his book "Friends or Rivals? - The Insider's Account of US-Japan Relations" says, "Washington perceived this (EAEC) proposal as an effort to mobilise Pan Asian sentiments against the United States."

"In presenting the proposal, Mahathir's rhetoric was frequently laced with barbed references to the United States, and there were undertones of racism in his exclusion of Australia and New Zealand along with Canada and

the United States," writes Armacost, who consistently misspells the Prime Minister's name as "Mahatir" and spells (or misspells?) Malaysian "prime minister" in the lower case.

A book reviewer says the mistakes are unforgivable and probably reflect Armacost's disrespect for the Prime Minister.

Armacost went on to say that the EAEC proposal "put the Japanese on the spot".

"As a global trading nation, they were loathed to encourage regional trading blocs. Economic ties with the United States counted for much, and in the wake of the political difficulties that had surfaced during the Gulf war, the Japanese were not eager to risk Washington's ire on another issue."

Despite opposition from the US and Australia, and hesitancy from Japan, EAEC has been endorsed by Asean and is slowly moving forward with the recent meeting of East Asian Economic Ministers in Bangkok following ASEM.

An Asian analyst says Japan, under Hashimoto, "is secretly exploring ways to embrace EAEC".

Prime Minister Hashimoto has not spelled out his views on EAEC but, like his predecessors, has neither said "no" nor "yes" to the idea. --  
Bernama

SAL YBY