

## **NIHON KEIZEI CONFERENCE ON "THE FUTURE OF ASIA"**

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I have been asked to speak on the subject: 'Toward a Stable Asia'. Before I say some words on what I think needs to be done to strengthen the stability of Asia in the years ahead, I think it is important to get something clear.

2. In my view, Asia has already achieved a remarkable level of stability. There are many wars in the world today. There are none in East Asia. There are few in Asia, where half of mankind live.

3. To be sure, there is no cause for complacency, no reason for resting on laurels. Asia's present stability has clear lines of fragility. There are serious flaws. Some of the foundations consist of less than steel and concrete. The stability is often shaky. The strategic situation in Northeast Asia is more problematic than the strategic environment in Southeast Asia. It portends some serious problems which will need to be grappled with. There is no excuse for 'triumphalism', for trumpeting our accomplishments. We must be humble and modest, remembering that pride almost always comes before a fall.

4. At the same time, it has to be recognised that not for one hundred and fifty years has Asia been so stable. We have not seen such tranquility for a century and a half. Today, the guns are almost stilled, in every nook and corner of East Asia. No shots are being fired across borders. All this is not to be easily dismissed because in the last fifty years we have been by far the most turbulent region of the world.

5. Almost every country has gone through a civil war, insurgency or domestic turbulence of the most devastating and serious kind. Millions upon millions have died. The greatest wars of the post- World War II period -- the Korean War and the Vietnam War -- have been fought in our region of East Asia.

6. There are no two ways about it: we have achieved a great deal. We have for the most part achieved a stable Asia. The task now is to greatly fortify, to strengthen that stability.

7. To do this, I believe three things are absolutely critical:

i) We must establish a warm, cooperative and enduring peace between the nations of our East Asian village;

ii) We must ensure a community of prosperity and economic dynamism in our region; and

iii) We must ensure social justice at home, in all our societies.

8. There are other important things to do, of course. But I believe these are the three central challenges that confront us in the decades to come.

9. Let me begin by elaborating on the first challenge: the challenge of establishing a warm, cooperative and enduring peace.

10. We have to be sensitive to the fact that peace is not the mere absence of war. At one end of the war-peace continuum, there is total war. At the other end, there is total peace. Fortunately for mankind, we have never seen total war. Unfortunately for mankind, we have never achieved total peace. In between, there is hot and violent war, cold war, cold peace and warm and cooperative peace. The practical task for statesmanship always is to ensure that we do not slip down the slippery road towards conflict. The practical task of statesmanship is to try to walk up the difficult road towards a better and more enduring peace.

11. We have virtually succeeded in banishing war from East Asia. The Cold War has been laid to rest, although some of the vestiges remain. We must not now be prepared to accept a cold peace in East Asia. We must aim for a warm and cooperative peace, characterised by friendship, understanding, trust and goodwill between us all. Such a peace is essential for the Asian Renaissance that we must seek to foster. Only such a peace can be durable and enduring.

12. We have to appreciate that for understandable reasons of realpolitik many may not have such an interest or such an aim. Many even in East Asia may not want such a warm and cooperative peace, because they have scores to settle, axes to grind, vested interests to protect, other objectives to pursue. But it is up to us who believe in an East Asian village of friendship, understanding, trust and goodwill to act to turn the wishes that we carry in our heart into concrete reality on the ground.

13. In order to do this, we do not have to be all idealism and no realism. Indeed, we have to be utterly realistic. We must not be soft-headed and foolish. Indeed, we can afford neither. We cannot afford to rely on hope and good fortune. Indeed, we must make all the luck and good fortune that we need. We do not have to disarm. Indeed, all of us must be sufficiently

equipped militarily to ensure sufficient defence. For some, this must mean a military build-up. For others, this must mean a military draw-down.

14. The ancient Romans had a saying: Si vis pacem para bellum. If you want peace, prepare for war. I am afraid that if we prepare for war, war is what we are likely to get. Fortunately for us in East Asia, we do not have to prepare for war. There is no necessity. And if we did, we would be betraying our promise and our future. What we must do is to fight for the peace that we want.

15. In my view, to build our East Asian Peace on the basis of a balance of military power is not possible. It is not advisable. And it is not productive of the warm, cooperative and enduring peace we must work for.

16. The reason it is not possible is because most of us cannot afford the enormous expense that would be involved. Can we all build military machines that can balance the military capabilities of China? Who can match the military might of the United States, which today is clearly a military power of East Asia? How does South Korea act to militarily balance Japan? Does Thailand act to militarily balance Vietnam? Does Cambodia act to militarily balance China? Does Brunei act to militarily balance Indonesia?

17. Whatever for? I can see all the manufacturers of weapons rubbing their hands with glee at the very thought. How wonderful. What a marvelous scenario. Forget the military balance. Imagine the balance sheets.

18. I can bear the response of the undeterred Balance of Power enthusiasts: if no single nation can create a Balance of Power on its own, create alliances. But who will agree to create alliances against China? Who will agree to create alliances against the United States? Who will agree to create alliances against Japan? Who will do so against Indonesia?

19. There is an even stronger argument against the traditional Balance of Power approach: it is silly. What purpose is served in everyone balancing everyone else? What are the psychological costs in terms of suspicion and the erosion of trust and confidence when we start to arm to deal with each other and against everyone? As I have said before, if we treat nations as if they are the enemy of tomorrow, they will rapidly be the enemy of today. If we act today to deal with tomorrow's imagined threat, what is imagined will become a reality - before tomorrow comes. We will be amazed how fast a potential threat will become a real threat.

20. Is real peace ever created by this ruinous process of military balancing? If everything works, and we have great success, what we will achieve is bankrupt economies, impoverished societies and a barren and cold peace. Why should we settle for a barren and cold peace? Especially when there is a historic opportunity to put history behind us and to build a warm and cooperative peace. To live in the company and in the comfort of good neighbours.

21. I believe that if we want true peace, we must be prepared to fight for true peace with all the determination, creativity and tenacity that we normally reserve for the prosecution of devastating war. I also believe that the most opportune time for making peace is when peace is least needed, when tensions are low, when all nations are relaxed. It is in such circumstances that peace can move forward. We must make hay when the sun is shining for when the storm clouds are in the sky it is too difficult. And when it has started to pour, it is too late.

22. We in East Asia must move now. And we must be dogged in our determination.

23. The best way forward in creating the enduring, warm and cooperative peace we want is to advance on all fronts. We must act unilaterally, wherever possible, to reduce tension, to solve conflicts, to generate confidence. Let us not forget the old Arabian saying that the whole road is clean if everyone sweeps the front of his house.

24. Second, we must act bilaterally, trilaterally and multilaterally to make peace and friendship. The whole region of East Asia will be at peace if we are a neighbourhood of good friends.

25. I believe that these processes should be aided and abetted by a regional process, especially if the regional process will contribute not only to peace but also to empowerment and economic prosperity.

26. I am not certain whether the EEC process in Europe has truly served the economic interests of Western Europe. I have no doubt whatsoever that it has served its primary purpose: the purpose of making peace and friendship between enemies who had twice this century given this globe two `world wars'. We do not have to follow the footsteps of Europe. We cannot. It is not feasible. But we can follow Europe's example.

27. And we can also be guided by an example nearer home.

28. In 1967, almost a generation ago, five nations of Southeast Asia embarked on a historic and unprecedented journey of regional reconciliation. As political entities, they had lived side by side for hundreds of years. But they had lived in isolation, Indonesia under a Dutch master, Malaysia and Singapore under the British, the Philippines under first the Spanish and then the Americans. Only Thailand had not been colonised, although it too had been bullied. They were as strangers for they did not know each other, although they knew in great detail about faraway matters in Europe. The European prejudices of their imperial masters towards others in Europe were carried over and replicated in the East, in their attitudes towards each other.

29. In the early 1960s, there were great tensions between many of them. There was a low intensity war, called Confrontation, launched by Indonesia against Malaysia and Singapore. One great nation, Indonesia, was bigger in relation to its other Asean members than China is in relation to the rest of East Asia.

30. In an act of regional statesmanship, the five countries of South East Asia decided to act to put an end to their suspicions, their fears, and their animosities. They decided that difficult though it was, it was time to act, to try to become friends. They congregated in Bangkok and formed the Association of South-East Asian Nations (ASEAN).

31. ASEAN is now an association of seven nations (after the membership of Brunei Darulsalam, and last year, the membership of Vietnam). Before the end of this century, ASEAN look set to be an association of 10, with the membership of Cambodia, Laos and Myanmar.

32. What is critically important, ASEAN is now a zone of true peace, a community of warm, cooperative and enduring peace.

33. The journey was not short. The path was not easy. But we all persevered. The outcome has been priceless.

34. Because of ASEAN, we were not pressured into becoming falling dominoes after the fall of Saigon. Because of our resolute stand on Cambodia we 'laid down the law' and have firmly established the rules of peaceful conduct and good citizenship in Southeast Asia. Because of ASEAN, our collective voice is heard. ASEAN was the European counterpart organisation in Asia for the Asia-Europe summit meeting held in Bangkok two months ago. ASEAN is at the core of the Asean Regional Forum.

35. No model can be completely replicated. Nor should any model be replicated. But models show what can be done and how.

36. When we in Southeast Asia decided to build a community of peace, a 'c' 'o' 'p' without cops, an egalitarian community without a policeman, because all would try to behave in a manner befitting good neighbours, the conditions in the region in 1967 were less propitious than are the conditions in East Asia today. I believe it is now time to launch an East Asian act of regional statesmanship whose intention is to start East Asia on the long road towards true peace and friendship.

37. This does not require turning our backs on any of our friends, new or old. It does not mean neglecting our military preparedness. It does not mean abandoning the positive things that are already in place and that contribute to peace between us. Indeed, these should be strengthened.

38. But it does mean that the journey of a thousand miles must begin. And it must begin with all of us meeting and talking to each other, at the very highest levels, for the first time in human history, on the basis of equality and mutual respect, with courage in our hearts and friendship on our minds.

39. I believe I have said more than enough on the first challenge to Asian stability. Let me now say a few words on the second challenge: the challenge of creating a region of cooperative prosperity and economic dynamism.

40. Again, the emphasis on the unilateral, what each nation can do for itself is central. Despite all the talk of borderless economies and globalisation, economic dynamism and prosperity is still made at home, within each state, within each economy. We must continue to put economics in command. We must continue to pursue productive policies that propel our people to hard work and sometimes, to almost superhuman feats.

41. One of the greatest dangers that threaten global prosperity is the rise of the New Mercantilism and the New Protectionism, motivated by beggar-thy-neighbour policies. We must continue with our half conscious, half unconscious policy of 'prosper-thy-neighbour' which has done so much good for all of us in East Asia. Again, we must not forget the bilateral, the trilateral, the multilateral contributions to the creation of a community of cooperative prosperity.

42. And of course, we should not neglect what has to be done at the global level (in the WTO and elsewhere), at the sub-regional level (in ASEAN), at the super-regional level (in APEC) and at the trans- continental level (in ASEM). We must

also not neglect the regional, what we should try to do together in East Asia.

43. Again, the first step must begin with us meeting and talking together over a host of issues. I have long argued that it is time for East Asia to meet to discuss not only peace and friendship but also their common prosperity and their collective economic dynamism. I have been greatly encouraged by the process that is already in train.

44. In July 1994, Foreign Ministers of ASEAN plus China, Japan and South Korea met at the ASEAN Post- Ministerial Conference in Bangkok.

45. In July 1995, Foreign Ministers of ASEAN plus China, Japan and South Korea met at the ASEAN Post- Ministerial Conference in Brunei.

46. In February, the Foreign Ministers of ASEAN plus China, Japan and South Korea met to plan the first Asia-Europe Heads of State Meeting.

47. I am quite confident that this coming July in Indonesia, the Foreign Ministers of ASEAN plus China, Japan and South Korea will meet again.

48. It is the most natural thing to do. Indeed, it would be somewhat unnatural if they did not in fact meet.

49. ASEAN's economic ministers have also had regular meetings with Japan's Minister of International Trade and Industry. Indeed, a Working Group on Economic Cooperation in Indochina and Myanmar was established in September 1994.

50. In Osaka in November last year, ASEAN economic ministers met jointly with economic ministers from China, Japan and South Korea for the first time.

51. Our officials are in constant consultations of course. At the ASEAN Summit in Bangkok recently, Thailand proposed that Malaysia organise the first meeting involving ASEAN, China, Japan and South Korea for the cooperative development of the greater Mekong basin. Prime Minister Goh Chok Tong, in his opening address, proposed that at the coming informal ASEAN Leader's Summit to be held in Jakarta in December this year, the leaders of China, Japan and South Korea also be invited for a meeting.

52. Let me confess that when I look back at the history of the EAEG and the EAEC I am reminded of Shakespeare's words from

Romeo and Juliet: "What's in a name? That which we call a rose  
By any other name would smell as sweet."

53. Let me now come to the third central challenge of Asian stability: the challenge of ensuring social justice at home. The key elements of this challenge may differ in part as between one country and another. The challenges are too many to even enumerate. They range from ensuring fair and equitable income distribution, the eradication of poverty, sound judicial systems and the rule of law to the development of political systems, including the necessity of democratic patterns of governance, fair and popular participation in the economy as well as the participation of all in the political, social and cultural system.

54. Clearly enough, however well we do at the international and regional level, in creating a good global village and a prosperous and friendly neighbourhood, we must never forget that true stability begins at home, what we each do in our own houses.

55. Most of us are great successes. We were once, all of us, great failures. We have done titanic things in confronting our failures and in generating great successes. We must now do titanic things in confronting our successes and in building upon these great successes. The problems of success can be as formidable as the problems of failures, although I must confess I would always be happier dealing with the problems of enormous success than dealing with the problems of enormous failure.

56. Unfortunately we have to acknowledge that there is a deliberate attempt to minimise what Asia has been able to accomplish over the last generation. There is the most intense marketing of the threats in East Asia. There is the most serious attempt to throw cold water on the entire East Asian 'miracle', a word we never used because it seems to suggest that our accomplishments were done through magic, rather than the hard work, the blood, the toil and the tears of our people.

57. Cold water has its uses. It is particularly useful for those of us whose heads are too big for their bodies.

58. At the same time, let us not be cornered into pessimism, into dependence and into a loss of confidence. We have every reason to be confident. Japan, like the rest of us, has every reason for confidence.

59. Let us move forward together. Armed with hopes for the future, fortified by the desire to work together - to build a

great East Asian home for the peoples of East Asia, one that will be productive of our interests and of the interests of all mankind.

60. And with that we would have brought peace and stability to half of Asia. We can then focus on the rest and god willing the whole of Asia would be stable and prosperous.