

July 5, 2005

Japan's Beneficent Potential (2)

By TANIGUCHI Makoto

Japan made a pitch for an East Asian Community in a statement by Prime Minister Junichiro Koizumi in Singapore in January 2002. And in a keynote speech delivered at the U.N. General Assembly in September 2004, Koizumi said, "I have proposed creating an East Asian Community based on ASEAN-plus-Three."

The Japanese initiative, while appealing as a political slogan, was inspired largely by China's bid for an East Asian Community. As such, the Japanese plan was apparently worked out in haste without a detailed analysis. To create a "community" that functions effectively, Japan should put forward specific proposals in the following four areas:

Environmental cooperation among Japan, China and South Korea. With pollution in China having serious effects on its neighbors such as Japan and South Korea, regional cooperation in dealing with environmental problems is an effective project to foster a sense of community that the three nations are finding politically difficult to engender otherwise.

The rapid growth of energy demand in East Asian nations, which is raising the possibility of Japan and China -- perhaps India and Indonesia as well -- having to scramble 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 nations than if they act individually.

Regional cooperation in agriculture as in 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 supplies from 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.

Asian currency and financial cooperation including plans to create an Asian bond market and an Asian common currency. The 1997 Asian currency crisis triggered moves toward regional integration. This attests to the importance of regional cooperation in monetary and financial areas. Talks are already under way to create an Asian bond market so that abundant funds in Asia can be invested in the region. An Asian common currency will eliminate exchange-rate

regulations in the region. Japan should engage more positively in regional efforts to carry out these projects.

Japan is in a position to contribute the most in these areas. Japan's active participation will make it possible to create an effective East Asian Community. Asia needs Japan. To meet its expectations, Japan should act as a confident and cooperative member of Asia. Over time that will generate a sense of community among East Asian nations, leading to the establishment of an East Asian Community. The emergence of such a regional community will contribute greatly not only to economic development in East Asia but also to political stability and security in the region.

The U.S. has expressed strong concern about moves toward an East Asian Community, as illustrated by a recent statement by U.S. Secretary of State Condoleezza Rice. The U.S. concern is not difficult to understand, given its extensive political and economic interests in Asia.

Japan should not flinch at U.S. opposition. Instead, it should convince the U.S. that Japan's active participation in the proposed community, as a core member, would help make the community more open and that such an open community would bring benefits to the U.S. and other countries outside the region. There is no reason that the U.S., now trying to expand NAFTA into a Free Trade Area of the Americas, should block the formation of an East Asian Community.

The proposed community should start with ASEAN-plus-Three as its founding members. In parallel with progress in integration, the community should be expanded to include Australia and New Zealand, and other neighboring countries such as India. That would be a natural course of enlargement.

Japan as a core member of an East Asian Community should contribute positively to Asia's development and stability. That is also a way to ensure Japan's own development and stability. The Japan-U.S. alliance is of vital importance to Japan's security, but as a leading member of the region, Japan should conduct a more autonomous and more multilateral diplomacy based on a long-term policy toward Asia, Europe and Russia.

In other words, this nation should have a wider range of diplomatic options. Indeed, Japanese diplomacy faces an acid test of strength in the 21st century.

(This is the text of an article by Mr. TANIGUCHI Makoto, President of the Iwate Prefectural University and Member of the Council on East Asian Community, which was originally posted in "The Japan Times" on June 14, 2005.)