

Pacific Cooperation Newsletter

● Vol. 1, No.1 Spring 1982

The Special Committee on Pacific Cooperation - The Japan Institute of International Affairs: SCPC-JIIA

Introductory Note from the SCPC Chairman

One-and-a-half years have passed since the Canberra Seminar took place as an epoch-making step to promote the idea of Pacific Basin Cooperation. By the recommendation of the Canberra Seminar, the Special Committee on Pacific Cooperation (SCPC) was organized under my chairmanship as a working group within the Japan Institute of International Affairs (JIIA) on 19 December, 1980. The SCPC is designated to be a national liaison committee or contact point for a broader network of activities throughout the region of Pacific Basin.

In May 1981, the SCPC had delivered our view on the Pacific Basin Cooperation concept, in which we emphasized, *inter alia*:

- (1) that the Pacific Basin Cooperation concept is an idea to secure and promote the present trend of interdependence among the countries of the region, thus viewing far into the 21st century;
- (2) that, in order to implement the idea, it is desirable to create a network of nongovernmental forums with the blessing of each government concerned; and
- (3) that our purpose is not to create an economic sphere of influence dominated by the "haves," or a politically-oriented exclusive regional bloc, but to promote cooperative relationship based on interdependence and mutual understanding among the countries in the region.

Responses to this view from a dozen countries of the region

have convinced us that our effort is by no means an isolated one. Given this encouraging environment, we decided to issue a quarterly, Pacific Cooperation Newsletter, starting March 1982. Our primary purposes are: (1) to inform of the activities of various groups regarding Pacific Basin Cooperation, (2) to provide a forum for exchange of views on the Pacific Basin Cooperation, and (3) to prepare as comprehensive a bibliography on this topic as possible.

The Pacific Cooperation Newsletter will, as will be the idea of Pacific Basin Cooperation itself, be of substantial significance when and if it receives support and cooperation from many groups of the countries concerned. Undoubtedly, it is an utmost necessity to further mutual understanding and cooperation within the Pacific region in order to secure the Pacific Ocean as an ocean of peace, as it literally is. We, the SCPC, will sincerely strive to contribute, through the Newsletter, in realizing the idea of Pacific Basin Cooperation. Thank you very much in advance for your encouragement and cooperation.

Dr. Saburo Okita
Chairman
SCPC-JIIA
Tokyo, Japan

A VIEW ON THE PACIFIC BASIN COOPERATION CONCEPT — SCPC-JIIA

Goal of the Pacific Basin Cooperation Concept

The Pacific Basin Cooperation Concept aims at promoting international cooperation mainly in such economic areas as trade, investment, resources, energy, transportation and communication as well as mutual understanding, a prerequisite to such cooperation, through international exchanges of education, academic research and cultural activities, thus strengthening the prosperous and harmonious relations of the Pacific region. This Concept stands on the fact of deepening interdependence in economic and other areas among Pacific countries in recent years, and envisages the development of the Pacific Basin in a

long-term perspective beyond this century.

A number of research and studies clearly show that the Pacific Basin is now developing in this direction. In this context, we might say that the Pacific basin's cooperation is on the historical tide. However, we do not believe it appropriate to let the tide have its own way. Conscientious efforts are in order today to guide it into a smooth and desirable channel. Many such efforts have already been initiated among nongovernmental circles in the Pacific area. In January, 1980, a conference on "Asia-Pacific in the 1980's: Toward Greater Symmetry in Economic Interdependence" was held in Bali, Indonesia. It was epoch-making that men of authority, governmental or nongovernmental, assembled from the broad Pacific area to discuss and examine

the issue of Pacific cooperation. Seminars on this subject were also held in such countries as the United States, Canada, Australia, New Zealand, the Republic of Korea, and Japan. Now the discussions are opened up around the Pacific area and the momentum to promote Pacific cooperation is gradually increasing.

Especially noteworthy among these initiatives was an Australian National University seminar which was held in Canberra in September 1980. The seminar articulated main areas of substantive cooperation which Pacific countries should pursue as their joint tasks. At the same time, it recommended a step to be taken in order to explore possible cooperation in the suggested areas. The recommendation included establishing a Pacific Cooperation Committee (PPC), an informal and nongovernmental group of business, academic/professional and governmental persons of considerable authority, members of which are to be drawn initially from market economies represented in the seminar. It also included setting up task forces to undertake studies on various subjects of Pacific cooperation, which may invite wider participation of the Pacific region. We appreciate this recommendation as a major constructive achievement and we basically support it. At the same time, we strongly hope that the ASEAN and other countries' people concerned both in private and governmental sectors support the idea of establishing a nongovernmental forum of this kind. *We believe it most useful in realizing the goal of the Pacific Basin Cooperation Concept to establish a nongovernmental forum which would do research and study on possible cooperation in the Pacific area.* In this connection, we note that the Pacific Basin Economic Council (PBEC), a group of the region's business leaders interested in the issue of Pacific economic cooperation, has supported this idea.

The Special Committee on Pacific Cooperation (SCPC) was established in December 1980. It is envisaged to function as a Japanese liaison organization with a nongovernmental forum to be formed by the region's men of authority. It is our earnest hope that a similar contact organizations be established in other Pacific countries concerned. We believe it essential to promote step by step the Pacific Basin Cooperation Concept as a long-term vision toward the 21st century, based on a broad regional consensus. Such regional consensus should be formulated through the private sector's initiative and wisdom amassed not just in Japan but the whole Pacific countries as well. In this sense we especially expect the ASEAN countries to take the more active initiative including the possibility of holding a seminar on this Pacific cooperation issue within the ASEAN region.

Some considerations on the Pacific Basin Cooperation Concept

In setting up the above-mentioned nongovernmental forum, we certainly have to go through many problems like member selection, further clarification of substantive issues of cooperation, and how to manage the forum's activities. It is essential of course that the concerns of opinions of ASEAN and South Pacific island nations be fully reflected in the process of this forum-making. However, these specifics will not be touched on now. The main purpose of this paper is rather to make clear our thinking on some points of concern expressed with respect to such forum-making mainly on the part of ASEAN countries.

1. The task of the nongovernmental forum

We might say that the suggested nongovernmental forum has its basic character of intellectual investment to explore:

- (a) possible new projects of cooperation which will be mutually beneficial and contributing to the progress of more effective cooperation among Pacific countries, and
- (b) possible responses to the problems which will not be resolved without more concerted actions of cooperation

among Pacific countries, or those which, if neglected, might bring about the disequilibrium of interest among these countries.

Mid/long-term economic merit or implications of the Concept have been gradually clarified through a number of research and discussions conducted in the past years. Many examples of the projects referred to in above (a) may be found in the report by the Japanese Study Group on Pacific Basin Cooperation (May, 1980). Various existing or potential problems in the above (b) context have been pointed out primarily by the region's economists. The crux of the problem seems to be how this region's economic and other development could be sustained in the future, and how we should cope with the possible frictions and difficulties arising from the increased interdependence of the region. Are the present domestic and international arrangements sufficient to defend free trade, secure a smooth expansion of trade, and achieve harmonious structural adjustments? What kind of economic and financial cooperation is most desirable to support the region's economic development? How should we strengthen the cooperation to tackle the envisaged energy constraint? There are many other problems we have to face together in order to ensure a sustained prosperity of the region.

We believe the above-mentioned private forum is most desirable in order to explore the means to deal effectively with these problems in a way beneficial to the entire Pacific countries including the ASEAN. The forum, as the Trilateral Commission does, may well make public the results of its study, and if necessary, recommend them to the governments concerned. The forum's activities of course do not bind the positions of the governments. But they will certainly be conducive to an improved environment where the region's governments could share the grip with the region's problems, and upon it, advance their cooperation.

We consider therefore that the benefit arising from the forum's activities is of a long-term and indirect nature. In other words, a short-term visible benefit which necessitates intergovernmental negotiations or policy adjustment will not evolve directly from this forum. We may expect, however, that the forum, through its research activities, will come up with specific proposals of substantive Pacific cooperation projects and the governments concerned will take up these as their joint tasks.

2. Implications for such an existing framework of cooperation as ASEAN

Is there any possibility that a nongovernmental regional forum would weaken the ASEAN solidarity or affect its nonaligned position? If we were trying to set up a firm intergovernmental organization, this sort of question might well be asked. In the light of the region's reality, however, we consider it neither necessary nor desirable to set up an European Community-type organization.

It will be up to the governments' discretion whether or not they take up research products or proposals of the envisaged nongovernmental regional forum. The activities of this forum will not be like the ones to directly affect the existing bilateral-multilateral relations among the governments both in and out of the region, including the ASEAN cohesion. This nongovernmental forum is free to study a future Pacific potentiality, and hopefully to make specific proposals on Pacific cooperation. We believe that this forum should explore the possibility of cooperation which will promote the region's development, while having due regard to each country's position and interest under the present framework.

3. Implications for Japan

We endeavor to realize the Pacific Basin Cooperation Concept

not because we intend to prepare for the age of bloc economies in global terms. We wish to stress that the real economic interest of the Pacific region including Japan could be pursued only in the development of the world economy as a whole, supported by a global free trade system. We believe that the Pacific countries should make their best efforts to prevent the emergence of bloc economies and protectionism on the world scene by further promoting a free flow of money and goods in the region.

Needless to say, we, in promoting Pacific cooperation, do not have any intention whatever of building a "military bloc" as propagated by some countries. There can be no doubt on this if one takes note of the spirit of the Japanese Peace Constitution and the Japanese people's strong commitment to become a peace-loving and non-military nation, both of which are drawn from the precious lessons of the Second World War. Certainly we are not indifferent to the problem of the region's security. We have to address ourselves to the issue of how to construct a regional framework of peace in parallel with that of the Pacific basin's cooperation in the economic and cultural fields. Be that as it may, politico-military issues are not the subject of the Concept.

How should we relate this Concept to Japan's diplomatic efforts in the region? We believe that Japan should play an even more active politico-economic role commensurate with her own international position in order to contribute to the peace and stability of the Asia-Pacific region including ASEAN and South Pacific island nations. Our endeavor to develop the Concept may well be regarded as one factor supporting such an effort in the diplomatic sector.

4. The issue of participation—free and open regional cooperation

Since the Concept is to strengthen free and open regional cooperation, it should not close the door to the non-Pacific regions. It follows therefore that the envisaged nongovernmental forum needs to be open to all the people who are keenly interested in the development of the Pacific area. One of the reasons why we should regard it inappropriate at this moment to put an intergovernmental organization on our agenda is that we are afraid of the Concept being entangled with the political problem of members to this intergovernmental organization.

We believe, however, that a realistic approach is to enlist a core group of persons of authority as forum members at least in the initial phase from the region's market-economy countries and to gain their government support in the process. For the objective of the Concept is, to repeat, to search ways to develop the cooperative relations based upon free and more open exchanges in the region. If we could reach a stage of arranging, under the framework of this nongovernmental forum, task forces which would conduct research on how to promote the region's economic cooperation and mutual understanding, the participation in the task forces should be open-ended, including those from socialist countries.

Conclusion

Our urgent task now is to marshal the valuable knowledge and wisdom of persons of considerable authority both in governmental and nongovernmental circles for the purpose of advancing mutually beneficial Pacific basin cooperation in the real sense of the word. It is desirable therefore that the governments concerned express their political will to support the building of a forum in order to pursue such a purpose.

Certainly the governmental involvement with our endeavor to advance the Pacific Basin Cooperation Concept is of an indirect nature, but it is also true that the Concept will not be developed

without a governmental blessing. With this blessing, we strongly hope that an international nongovernmental seminar be held in the ASEAN region in order to conduct a more concrete study on the establishment of a nongovernmental regional forum.

Note

More than a dozen individuals had positively responded to our view above, pointing out, among others, (1) that quick steps must be taken immediately to develop consciousness and understanding of the Pacific Community Concept; (2) that a group of ASEAN economists shares the views on the concept as expressed in the report; and (3) that taking the initiative should put Japan into a position to clarify its own involvement in the Pacific in order to meet ASEAN critics who claim Japan's commitment and purposes are unclear.

We greatly appreciate all persons to whom we sent our view on the idea of Pacific Basin Cooperation, and who read it with a great interest, including:

- (1) Prof. Zainal Abidin B. Abdul Wahid
University of Malaya, Kuala Lumpur
- (2) Prof. Mohamed Arief
University of Malaya, Kuala Lumpur
- (3) Prof. Chong-ki Choi
Korean Institute of International Studies, Seoul
- (4) Mr. Barry Desker
Deputy Director, Ministry of Foreign Affairs, Singapore
- (5) Dr. Lawrence Krause
Senior Fellow, The Brookings Institution, Washington, D.C.
- (6) Prof. Lim Chong Yah
President, Economic Society of Singapore, Singapore
- (7) Mr. James A. Maraj
Vice-Chancellor, University of the South Pacific, Fiji
- (8) Mr. Narongchai Akrasanee
Development Planning Division, Escap, Bangkok
- (9) Dr. Mohammad Sadli
University of Indonesia, Jakarta
- (10) Dr. Emanuel V. Soriano
University of the Philippines, Quezon
- (11) Mr. Richard W. Wheeler
Senior Vice President, Citibank, New York
- (12) Prof. Peter Drysdale
The Australia-Japan Research Centre, Australian National University, Canberra
- (13) Prof. Ray S. Cline
The Center for Strategic and International Studies, Georgetown University, Washington, D.C.

Correspondence

Ever since the establishment of the SCPC, and especially after the distribution of our "View" in May 1981, an increasing much correspondence in various forms have taken place and exchanged views on the idea of Pacific Basin Cooperation, receiving valuable materials in this field as follows:

1. Exchange of Views:

- | | |
|-------------------|--|
| (1) Dec. 12, 1980 | Mr. D. Gordon Longmuir (Counsellor, Embassy of Canada)
Mr. John C. Sloane (Second Secretary, Embassy of Canada) |
| (2) Jan. 13, 1981 | Mr. William L. Brooks (Second Secretary, Embassy of the U.S.A.)
Mr. Yasutaka Takai (Economic Section, Embassy of the U.S.A.) |
| (3) Feb. 2, 1981 | Mr. Mark Earle, Jr. (Senior Economist, SRI International) |
| (4) June 22, 1981 | Prof. Gavin Boyd (Center for Asian Studies, Arizona State University) |
| (5) Aug. 7, 1981 | Mr. Lars Vargo (Second Secretary, Embassy of Sweden, Tokyo) |
| (6) Nov. 11, 1981 | Messrs. Ryozo Enokido and Koichiro Kato (Manager and Asst. Manager, Administration Division, Nippon Asia Submarine Cable Co., Ltd., Tokyo) |
| (7) Dec. 18, 1981 | Mr. Michael Radja Mitra (First Secretary, Swedish Board of Commerce) |
| (8) Jan. 7, 1982 | Dr. Vladimir I. Ivanov (Academic Secretary, Institute of Oriental Studies, USSR Academy of Science) |

(9) Jan. 18, 1982 Mr. Shigeyuki Asano (Staff Writer, Kobe Shimbun, Tokyo)

2. Materials received

- (1) Crawford, John, Sir (ed.), *Pacific Economic Cooperation: Suggestions for Action*. Heineman Educational Books, 1981
- (2) Ivanov, V. I., *The "Pacific Idea" and International Relations in the Region*. A Paper to the VIth International Seminar of Young Researchers on Problems of Cooperation in the Pacific Ocean Basin, Nakhodka-Khabarovsk, August 1981.
- (3) Kojima Kiyoshi, "A New Capitalism for a new International Economic order." *Hitotsubashi Journal of Economics* XXII-1, June 1981.
- (4) Lukin, V., *Early 80s in the Pacific*. A Paper to the VIth International Seminar of Young Researchers on Problems of Cooperation in the Pacific Ocean Basin, Nakhodka-Khabarovsk, August 1981.
- (5) Orrego Vicuña, Fransisco (ed.), *La Comunidad del Pacífico en Perspectiva*. Instituto de Estudios Internacionales de la Universidad de Chile, 1979, 2 vols.
- (6) Waifs, William, *Americans Look at Asia: A Need for Understanding*. Pot mac Associate, 1980.
- (7) *ASEAN and the Pacific Community: A Report*. Center for Strategic and International Studies, Jakarta, 1981.
- (8) *Pacific Community Newsletters*. The Pan-Pacific Community Association, Inc., Washington, D.C.
- (9) *Pacific Region Interdependencies*. A compendium of papers submitted to the Joint Economic Committee, Congress of the United States, June 15, 1981.
- (10) *PBEC NEWS*. The Pacific Basin Economic Council, Japan National Committee, Tokyo.
- (11) *Proceedings of the Second Japan-Australia Economic Issues Symposium*, Nagoya, June 1, 1981.
- (12) *Prospects for Closer Economic Cooperation in the Asia-Pacific Area*. The Asian Club, Collection of papers prepared for the International Symposium, Tokyo, Feb. 17-18, 1981.
- (13) *PTC Newsletters*. Pacific Telecommunications Council, Hawaii.
- (14) *The Pacific Community Idea*. Hearings, Subcommittee on Asia and Pacific Affairs, Committee on Foreign Affairs, House of Representatives, 96th Congress, U.S.A.

The Members of the Special Committee on Pacific Cooperation

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Ryuzo Sejima	Advisor	C. Ito & Co., Ltd.
Nobuhiko Ushiba	Advisor	Ministry of Foreign Affairs
Takeshi Watanabe	Chairman	Trilateral Commission

Footsteps of the SCPC

Dec. 19, 1980—The Special Committee on Pacific Cooperation was established within the Japan Institute of International Affairs (JIIA) under the chairmanship of Dr. Saburo Okita. The members counted 32 in all including the chairman and five advisors.

Feb. 13, 1981—The first meeting of the SCPC.
Agenda: Probing the way to implement the idea of Pacific Basin Cooperation in the wake of Premier Suzuki's ASEAN tour; Report on the Prospect of the Pacific Telecommunication Cooperation by Mr. Kiyomi Yukihiro, etc.

Apr. 1981—The special meeting of the SCPC working group for drafting the "SCPC View on the Pacific Basin Cooperation idea."

May 12, 1981—The second meeting of the SCPC.
Agenda: Discussing on the draft of the "SCPC View on the Pacific Basin Cooperation idea"; Reports on the Activities of the related organizations including the Korean University seminar on the Pacific Community (May 4-6, 1981, Seoul), and the 14th General Meeting of the PBEC (May 3-7, 1981, Hong Kong), etc.

Oct. 1, 1981—The third meeting of the SCPC.
Agenda: Discussing on the next step for the SCPC; Reports on the activities of the related organizations including the 6th International Seminar of Young Researchers on Problems of Cooperation in the Pacific Ocean Basin (August 1981, Nakhodka-Khabarovsk); Proposal on the SCPC Newsletter, etc.

Announcement

The SCPC invites the cooperation of the readers to make the Pacific Cooperation Newsletter a significant media for promotion of the Pacific Basin Cooperation idea by, for instance, informing us of various activities of the groups with the Pacific Basin perspective or providing materials in this regard.

Secretariat

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Editor: Shunjiro Ishizuka

Assistant Editor: Yoneji Kuroyanagi

Address: The Japan Institute of International Affairs
19th Mori Bldg., 2-20 Toranomon 1-chome,
Minato-ku, Tokyo 105, Japan