The Future of Regional Security

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Summing Up the Security Outlook

Let me enumerate what I see as the most crucial items in the security outlook for the Philippines and Southeast Asia before I elaborate on them.

1. The security environment in the South China Sea over the next five to seven years I still see as benign -- even after the Chinese encroachment on Mischief Reef. I still see it as giving us the breathing spell to deal with our problems at home. We should use this breathing spell wisely -- to restore political stability and put the economy on the path towards self-sustaining growth -- because the security environment after that may change drastically.

2. China is obviously the biggest question mark in our effort to determine what the medium-term future will look like. The easiest guess is that, following Deng Xiaoping's death, his successors will close ranks, taking only conservative policy decisions as a collective leadership -- until the logic of their situation re-asserts itself. Then the struggle for power will likely produce another dominant figure.

But, over the longer term, I believe Chinese politics will catch up with China's economic reality. The new social groups being produced by economic modernization will generate basic political change that will be abrupt or gradual, depending on how the Communist Party handles it.

3. The United States should continue to be the fulcrum of the East Asian balance-of-power over the foreseeable future. Its alliances and forward deployment of troops will continue to underpin East Asian stability.

4. Japan I imagine will more and more develop into what Ichiro Ozawa calls a 'normal nation' -- one of the five major powers, with political (and military) clout corresponding to its economic strength.

5. Our goal of a Southeast Asia 10 (SEA-10) we should easily complete by the turn of the century, now that Vietnam -- the linchpin of Indochina -- has entered the Association of Southeast Asian Nations (ASEAN). I foresee the SEA-10 as being driven to still closer political cooperation by the workings of the Asia-Pacific economy -- if not by the members' increased apprehension of China and Japan.

6. Russia -- for good or ill -- will continue to count in the Asian balance-of-power. What is worrying is that President Yeltsin does not seem strong enough to stand up against Russia's conservative nationalists. Political instability in Moscow will unavoidably reflect on the security concerns of the East Asian countries.

7. The shift to market economies among East Asia's democratic and authoritarian states alike is steadily strengthening their interdependence. The countries of the region now take up two-thirds or more of each other's total trade and 54 percent of each other's direct foreign investment. This gives us hope the attraction of mutual benefit will outweigh any atavistic aggressiveness among East Asia's leadership groups.

8. Religious fundamentalism -- principally in Islam but also in pentecostal and charismatic Christianity -- will create new cultures. As a reaction to the impact of the secular and technological West on decaying traditional societies,

fundamentalism will be a disruptive force in the relatively least-developed regions of East Asia.

9. Our best hopes for stability and continuing growth in East Asia depend on the new institutions of the Asia-Pacific Economic Cooperation (APEC) and the ASEAN Regional Forum (ARF), and in the economic and political interdependence these two interlocking groups are establishing.

Political Implications of East Asia's Growth

That poor countries can best develop by competing in global markets was far from being the conventional wisdom in the Third World when the first East Asian countries -- following Japan's example -- ventured into export-oriented industrialization in the 1960s.

The then dominant 'dependency theory' taught that 'peripheral' countries can escape 'neocolonialism' only through self-sufficiency. In Latin America and in our own country, this inward-looking nationalism expressed itself in import-substituting industrialization.

In venturing as they did, the 'Four Little Dragons' -- South Korea, Taiwan, Singapore, and Hongkong -- followed by Malaysia, Thailand, Indonesia, and China literally invented a development model. Even those latecomers, like the Philippines and Vietnam, which followed their example have been confirmed in the correctness of their choice by respectable growth rates, capital inflows, and new jobs created.

Market economy homogenizing East Asian political systems

East Asia's market systems have naturally had a political impact. They have homogenized the East Asian political systems so dramatically that 'anti-communist' ASEAN can effortlessly incorporate 'communist' Vietnam. In fact, it is now more instructive to look at these political systems as graded members of a continuum rather than as distinct and contrasting categories.

The characteristic transition is from 'hard' to 'soft' authoritarianism, which finally eases into the kind of 'democracy' that now prevails in Taiwan and South Korea.

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Only North Korea lacks the leisure for such a transition. There the liability of a sharp break between the old and new orders is real -- perhaps by way of a military coup and then eventual unification with the South.

East Asia's authoritarian regimes the exceptions to the norm

East Asia's authoritarian governments have worked so well the world has accepted them as the norm for such regimes, rather than the exceptions they in fact are.

Similar regimes -- typically led by the military -- were prevalent in Latin America, Asia, Africa, and Eastern Europe before Samuel Huntington's 'third wave of democratization' between 1974 and 1990, when democratic regimes replaced authoritarian ones in approximately 30 countries over the fifteen-year period. Many of these authoritarian regimes (except for Pinoche's Chile) came and went without making a positive impact on their people's lives -- or on the consciousness of the world.

East Asia's authoritarian states are unique not because of the high growth rates they achieved. Other authoritarian countries -- the best example is Brazil between 1932 and 1979 -- have grown as much over similar sustained periods. What is unique about East Asia's growth is the way it has involved the masses of East Asians -- eradicating mass poverty, easing income inequality, and generating pressures for political liberalization.

By the World Bank's estimate, mass poverty declined from 35 percent to only 10 percent in East Asia between 1970 and 1990 -- despite a 40 percent increase in the region's population over the same period.

The United States can take some credit for this difference. The land reform programs it enforced in Japan, Taiwan, and South Korea ensured the initial measure of income equality that enabled ordinary people to grab the opportunities that development turned up.

Our authoritarian governments have also generally known when the command economy reached the limits of its usefulness. Most of them gave in (relatively) gracefully to popular pressures for political liberalization -- the ground for which they had themselves prepared -- by social policies that emphasize income equality and social mobility, primary health care, technological education, and bureaucratic merit.

The concept of Asian values

Sustained high rates of growth have generated rising self-confidence and a new assertiveness among the East Asian states. These confidence and assertiveness express themselves most prominently in the claim for 'Asian values' that East Asia's new ideologues increasingly make -- in defending their governments against Western accusations of arbitrariness and violation of individual rights, and in contrasting their hard-driving communitarian societies with the stagnant 'welfare states' of the West.

But cultural differences are not likely to prevent the political convergence of the East Asian states and their western counterparts. President Ramos has pointed out that as societies get more complex, they must increasingly be ruled by compromise and consensus, if society is to become both free and orderly. To the extent that countries accept these methods of political rule, then to such extent will their political cultures begin to resemble each other.

The differences between countries, therefore, will arise from the civic values that specific cultures prize, and from the deliberate efforts that East Asia's late modernizers are making to avoid the 'mistakes' early modernizers in the West had made. These 'mistakes' refer to the perceived failure of the West in restraining the egotism of individualistic capitalism and preventing both the deterioration of family ties and the deconsecration of society and human life.

Allied to these problems is the popular disgust with electoral politics the world over -- and the meager control that ordinary people can have over 'representative government.' As the British writer Charles Handy says, democracy used to mean that people had the power, but now it means only that the people have the vote. Ensuring there is more to democracy than a visit to a polling booth every few years is the political problem that East and West alike must resolve.

Role of the Great Powers

The United States in East Asia

Anxiety had been raised throughout Southeast Asia by the dismantling of the American military bases in the Philippines. The fear that potentially aggressive regional powers may be drawn into the power vacuum is undoubtedly real. But I think the United States will stay in the region -- in its own self-interest. Shifts in its demography and economics have made it a true Pacific power. (Three million American jobs depend on East Asia's stability.) It cannot tolerate East Asia's being dominated by a single power any more than it could a Western Europe in the same predicament.

While not one of the East Asian states could really welcome a situation where it takes an outside power to preserve the balance among them, the middle powers in the region accepted the US decision to maintain its level of forces indefinitely as necessary and useful in guaranteeing the continued stability and economic growth of East Asia. This until the East Asian states can instill among themselves a stronger sense of community, which would allow them to settle their own disputes among themselves, and in their own way.

Japan as a force for regional stability

Japan I see as striving for a political role in the world compatible with its economic power. I am reasonably confident this political role will be exercised on the side of peace -- which Japan needs more than any other great power, because of its worldwide trade and investments, its lack of natural resources, and its extreme vulnerability to nuclear conflict.

The Philippines supports Japan's bid for a permanent seat in the Security Council, which should enhance its political integration into the world community. We have no fears about Japan's taking an active role in regional security cooperation.

Like other Southeast Asian countries, we wish Japan's security ties with the United States to continue -- as the linchpin of East Asian stability. We urge both sides not to allow their trade problems to jeopardize their alliance.

Japan shares with us a vested interest in a peaceful and stable Southeast Asia because a disorderly Southeast Asia would give China an excuse to fish in its troubled waters. The Fukuda Doctrine makes Japan a 'stabilizing force' in Southeast Asia.

At the same time, Japan is reluctant to pit East Asia against the West. This explains its reluctance to endorse Prime Minister Mohamad Mahathir's East Asian Economic Caucus, of which it would have been the primary beneficiary as East Asia's most powerful economy. The concept of Japan being part of the 'Asia-Pacific' wins easily over the concept of Japan leading an exclusivistic East Asia.

Ichiro Ozawa's vision of Japan as a 'normal' nation -- the vision of an "internationalized Japan with its home market fully integrated into the global economy; a Japan having a role in global political and strategic matters commensurate with its economic strength" has begun to attract attention.

Its most crucial implication is that the Japan-United States alliance must change in character: it must become a genuine partnership, in which Japan can pull its own weight.

As President Ramos pointed out to Australia's foreign policy establishment last August:

> There is an inherent anomaly -- similar to the Allied effort to keep apart two Germanys -- in today's Japan remaining a strategic client of the United States. It can only fan an unhealthy kind of nationalism in a nation acutely aware of its uniqueness -- increasing the danger that their bitter disputes over trade would spill over into their security relationship.

Japan's alliance with the US should continue -- although we now accept it will have to be redefined. The sooner this is done, the better for everyone -- not only because rightwing

sentiment is rising in Japan, but also because China might misread the trade disputes between the US and Japan as hampering their ability to respond cooperatively to China's assertion of power in East Asia.

Cold War still holds in Northeast Asia

Only in Northeast Asia does the Cold War power configuration -- Russia, China, and North Korea on the one hand and US, Japan, and South Korea on the other -- still hold. Now that the urgent issue of nuclear proliferation has been set aside by the agreement reached between the US and North Korea last October, confidence-building mechanisms set up by the six powers themselves can begin to work toward the only stable resolution of Northeast Asian stability -- the eventual reunification of the two Koreas.

Reunification -- by combining the North's natural resources with the industrial technology of the South -- will make Korea a formidable regional power. It will then have a population of roughly 80 million, a strong economy, and a military to match (among whose assets would be the North's nuclear know-how). This is a final outcome that will generate its own train of security problems for Japan and Northeast Asia.

Understanding China: engagement or containment?

Among all the great powers, China -- no longer revolutionary, but still not a status quo power -- is the most difficult to understand. Regional anxiety is now growing that Beijing may be deliberately using Chinese nationalism as the binder of national unity in place of a bankrupt ideology. This will make China an even more prickly neighbor than it is already.

Another cause for worry is that heightened national feeling in China has historically resonated strongly among the overseas Chinese comunities in Southeast Asia. If in our time it does so again, then it will complicate our own efforts to instill solidarity into our own plural societies in which the *huaquiao* are an economic force.

How should its neighbors deal with China?

Asia-Pacific policymakers debate their options as either engagement' or 'containment.' Partisans of one or the other approach alike argue that the contrary policy would certainly fail. Much passion is expended in this debate. But I myself see engagement and containment not as a question of 'either-or' but as 'more or less.'

Containment may have been justified for an ideological power like Stalin's USSR. But it would be foolish to approach today's China with a preconceived notion when this complex country is obviously in the middle of an epochal transition. In real life, China's neighbors would have to move between engagement and containment at historical junctures depending upon their perception of China's longer-term intentions in East Asia that Beijing has yet to define.

The question of pre-positioning

What we need to do is to discourage as far as we can China's lingering idea of itself as the 'Middle Kingdom,' while encouraging those trends that make the Chinese economy increasingly interdependent with those of its neighbors.

This is why ASEAN states, which are of necessity acutely sensitive to China's feelings, refuse to commit themselves prematurely to the Pentagon's proposal for 'pre-positioning' US military supplies in Southeast Asia.

We can be sure Beijing's continued encroachments on the South China Sea will accelerate security cooperation among the Southeast Asian countries, and between them and the United States.

But for the moment, ASEAN countries are betting the economic development taking place in the Pacific basin will work to bind our countries in a community of mutual benefit.

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China on Mischief Reef

Our most pressing external problem is the Chinese occupation of Mischief Reef in the Kalayaan Group. We have always regarded the Spratlys as the regional flashpoint most liable to flare up.

People generally see the oil reserves the Spratlys are widely thought to contain as the primary reason six littoral states are claiming them. But for the Chinese, the Spratlys claim seems to have more complex motivations.

Asserting China's claim to the Spratlys of course reinforces the militant nationalism Beijing seems to be fostering in its dealings with Hongkong, Taiwan, and the United States. But security analysts feel Beijing's claim may also be part of a strategic effort to build up a 'forward defense' capability beyond China's continental borders.

China's strategists have abandoned the Maoist 'guerilla' strategy of trading space for time -- luring an adversary deep inside China (as it did the Japanese). In its place Chinese strategists are building up their capability to fight a high-technology conflict in the China Sea and the Western Pacific.

Wide support for the Philippine position

Until 1992 the American presence insulated our country against external pressures. Only now are we facing -- by ourselves -- a direct threat to our territorial integrity.

Fortunately, a new spirit is rising in the world -- a community of purpose among nations in keeping the peace so that unhampered trade can bring them mutual prosperity. In disputes among nations, this new spirit gives those in the right a kind of moral strength superior to the old armed might.

It is in this spirit that support for our position on the Mischief Reef dispute has been expressed by Vietnam, the European Union, the Non-Aligned Movement, and the United States.

Washington cites the Spratlys issue as one reason why it is cancelling its plan to reduce the number of American troops stationed in the Asia-Pacific. (In the process, it has also soothed

regional anxieties about its withdrawal from its crucial balance-of-power role in East Asia.)

The decisive show of support for the Philippines, as far as Beijing is concerned, seems to be the ASEAN's collective decision to confront China on the issue.

Now Beijing's diplomats seem willing to approach territorial disputes and maritime rights and interests from the standpoint of international law.

Improved relations between the two claimants

Meeting in Manila in early August, the two sides agreed to cooperate on anti-piracy and search-and-rescue operations in the area, work together to protect the environment, and conserve the area's marine resources. China also proposed that the two sides jointly exlore for oil in the area.

The Chinese are still on the Mischief Reef; but, judging from the Manila negotiations, the atmosphere, as declared by President Ramos, is more congenial than it was in February.

President Ramos has proposed demilitarization of the South China Sea and a freeze on all destabilizing activities therein. These initial steps would be followed by cooperative undertakings in marine research and environmental protection, joint patrols against piracy, and other confidence-building mechanisms. All these are premised on the principle that the resources of the Spratly Islands are the common heritage of all the nations lining the shores of the South China Sea.

What regional role for China?

Among China's neighbors, we in Southeast Asia obviously have the greatest interest in its peaceful transition to economic and political pluralism, if only because the fallout from any political instability in the mainland will be heaviest in our direction.

It is plain that China's expanding economic and military power rests on grave internal difficulties. For instance, agriculture is relatively stagnant because it may have reached its productive limits. China's current population of over 1.2 billion still has to

be transformed from being a source of weakness into being a source of power.

Rivalries between coastal and interior provinces also seem acute -- inland provinces benefit less from reforms but suffer nearly the same severe inflation. The rivalry between the increasingly rich coastal provinces and a relatively weaker Beijing is no different.

The World Bank projects the Chinese economy to become the world's biggest in 25 years. But China will still need tremendous amounts of capital and, more importantly, tremendous State capacity to build the modern infrastructure required to modernize not just its coastal provinces but its interior as well. On the one hand, we may expect these needs to be a moderating influence on China's external ambitions. But on the other, we may also expect Chinese leaders to aviod giving in to liberalizing political pressures from within, since they must see political liberalization as a slippery slope from which there is no climbing back. Thus, any upheaval should, at least in the short term, benefit the conservatives more than the liberals.

Curiously, an August 1994 study commissioned by the Pentagon had half of the 20-man panel of American experts predicting a "Soviet-style breakup" of China within seven years of Deng's death. The panel reasoned that China will disintegrate because it lacks "an institutional framework for managing social and political tensions."

But I myself do not share the Pentagon study's pessimism. This time the Chinese succession will be decided in the relatively open atmosphere of economic liberties already being enjoyed by many people.

Role of the Middle Powers

No group of countries is more acutely aware that East Asia today has "neither a fixed balance of power...nor a single hegemonic power..." (in Robert Scalapino's phrase) than the ASEAN states, which are the most susceptible to regional instability.

This is why ASEAN has been so active in regional fora. In fact, it has impressed its negotiating principles of consultation and consensus on both the APEC and the new ARF.

The ASEAN powers may also be mulling over other alternatives, such as a concert of middle powers, organized outside the orbit of any of the great powers to become a moderating force in the region. ASEAN's obvious partners in such an informal alliance in the Asia-Pacific are Australia and New Zealand, which are actively seeking a place and a role in the region. Over the medium-term future, SEA 10 -- plus Australia and New Zealand -- could muster a combined economic and political strength comparable to any of the individual great powers.

Toward one Southeast Asia

Like many other security analysts in the region, I believe Southeast Asia itself has no alternative to eventual unity, if only because, separately, our ten countries cannot stand up to the intense competition of the emerging global economy, and the multipolar *realpolitik* that might yet replace the relatively simple power configuration of the Cold War era.

Trade, like any other aspect of foreign relations, becomes equitable only when either side can enforce 'reciprocity' -- when each can demand roughly equal access to the other's markets and productive capacities. Separately, our countries cannot hope to be strong enough to enforce reciprocity against the European Union, North America, Japan, or even China.

Even a unified Southeast Asia may not assure us complete control of our own fortunes. But only unification gives us a fighting chance to resist external pressures and play a role in influencing the development of our region.

The groundwork toward one Southeast Asia has in fact begun. As you know, our ASEAN economic ministers, who met in Chiang Mai, Thailand last year, agreed to accelerate the arrangements for the ASEAN Free Trade Area (AFTA). This is by dismantling tariff barriers between and among our countries within ten years, instead of the 15 years earlier agreed upon.

ASEAN's enlargement to include the other Southeast Asian states is well under way. In July, Vietnam formally entered ASEAN and Myanmar acceded to the Bali Treaty of Amity and Cooperation -- the ASEAN's informal constitution. (Laos and Cambodia already have observer status in the regional organization.)

Internal Problems in East Asia

Rapid social change in East Asia is producing its usual by-products -- the breaking up of custom; the disintegration of tribes, clans, and families; social alienation and political terrorism; crime and violence; prostitution; and proliferation of narcotic drugs.

Their relative deprivation sharpens the anguish of social groups that development leaves behind. Communications systems that governments are increasingly powerless to control -- satellite dishes are now no bigger than pizzas, and are getting even smaller -- fuel the drive of our new middle classes, in Francis Fukuyama's words, for "nonmaterial goals like recognition of their status and political participation."

Secularist societies generate religious fundamentalism

Religious fundamentalism -- Christian as well as Islamic -- is stimulated by the failure of the dominant secular culture to satisfy desires deeper than consumerism. Deconsecration of human life has led unavoidably to a widespread feeling of loss among ordinary people -- an anxiety that the younger churches, with their personalist approach to religion, have been able to satisfy better than the institutional churches.

East Asia's fundamentalists are fortunately far less dogmatic and self-righteous than their counterparts elsewhere. In our part of the world, the great religions from the very beginning mingled easily with the teachings, beliefs, and practices of indigenous worship systems. This traditional syncretization mitigates the power of East Asian fanaticism. Nonetheless, fundamentalism will be a disruptive force in the areas of East Asia that are poorest and most stagnant.

Communist insurgents, who once operated all over Southeast Asia, have now disappeared -- except in this country, where they are in terminal decline.

Illegal migrants and overseas workers

Another irritant in East Asian relationships concerns illegal migrants and undocumented workers. The Philippine government is particularly interested in safeguarding the movement of workers within the region, many of whom are Filipino citizens. Many of these migrant workers are virtually without any civil rights in their host countries. We are naturally anxious that ground rules -- ideally on a regional basis -- be established to ease their lives somewhat.

Multilateralism: The Wave of the Future

Our century -- now near its end -- saw the first world wars; thus, it is only fitting that our generation should be the first to strive for lasting world peace.

In the past, states moved effortlessly from economic strength to military power and then to imperialism. Today, no state need aspire for hegemony -- because it can attain its goals of wealth, power, and prestige through peaceful commerce and integration in the community of nations.

Robert Scalapino notes that the nation-state today is part of a political continuum that begins at the locality and extends to the globe. In our time, power is shifting along this continuum. Problems are being bucked up the political hierarchy for solution because fewer and fewer of them can be dealt with at the level of the nation-state.

Even the largest and most powerful states can no longer do things enirely on their own. For example, the Iraq-Kuwait War taught us that some conflicts can no longer be confined to their protagonists. While protection of the environment is susceptible to the 'free-rider' principle, unilateral remedies are costly to some, but they benefit everyone.

Not just prosperity but disasters as well are increasingly shared. The growing linkages of economies make them uniformly susceptible to individual greed as manifested by the

Barings collapse in Singapore earlier this year. Even natural plagues like AIDS and man-made ones like terrorism now easily cross porous frontiers.

Thus, nation-states must get together more and more with neighbors and allies. Leaders must more and more consult on shared problems.

A community of interests reached through consensus

'Multilateralism' has, prematurely, become a diplomatic cliche; but it is really the only way we can make any headway against the problems of our time.

Moreover, multilateralism can work only where it is founded on a community of interests. This community of interest can be real only where it is reached through consultation and consensus -- with every care taken for the sensitivities of every country involved.

An extreme example of multilateral activity is when young men from several countries are sent out -- perhaps to die -- to restore peace in a place like Bosnia; to ensure free elections in Cambodia; or to stop tribal slaughters in a place like Rwanda.

Multilateral sacrifices like these will be called for by the future. They will be difficult to make. But they will be made if multilateral arrangements arrived at by statesmen are explained fully to the young men who must put their lives on the line, to their parents and loved ones, and to the localities that reared them.

In their dealings with each other so far, states have recognized no motive higher than their own national interest. If multilateralism is to succeed -- and it must -- we must learn to do and look beyond the components of the nation-state.

From the beginning of every joint enterprise, all the separate countries must adopt as their own the interests of the multilateral grouping as a whole. Every state must accept there is a higher purpose than the immediate national interest that working together will serve. This acceptance is the necessary first step in our common effort to manage change in our time.