The Century of the Pacific
Will Americans Be Prepared for It?

Some Information for Fellow Journalists
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Some Things You Might Not Know About Asia-Pacific:

Japan, with only 5% of Asia's population, has 90% of its telephones. In all of Asia, exclusive of Japan, there is more than half of the world's population but only 3% of its telephones.

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The Pacific Island nation of Kiribati (population 61,000) has a land area of 266 square miles, smaller than New York City. However, the Exclusive Economic Zones of its 33 tiny, scattered islands give Kiribati economic control of two million square miles of the Pacific Ocean.

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Although Asia-Pacific is growing in percentage share of the world's gross national product, the developing nations' per capita income gap with the U.S. and Canada is enormous. In 1984 the U.S.-Canada figure was $13,150 a year. In the developing nations of Asia it was $571. It will take more than two centuries for Asia's developing nations to catch up if both groups maintain the growth rates of the past 15 years.

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U.S. women who went to a Micronesian island to teach in the 1960s learned about cultural differences when they wore shorts and miniskirts to a meeting with native women. The next day the local women showed up topless to make the point that thighs were taboo but breasts were acceptable in Micronesia. The Americans took the hint and switched to slacks. The Micronesians covered up.

For further details, read on.
THE
CENTURY OF
THE PACIFIC

Will Americans Be Prepared for It?
1987

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Information Concerning Asia-Pacific
for Fellow Journalists

Written and published by Richard H. Leonard,
incorporating material from lectures, seminars, research and
discussions while in residence in Honolulu.

Accomplished with the advice and assistance of
George Chaplin, Robert Hewett, Howard Graves,
Mary Bitterman and Barbara Leonard.

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Foreign Policy Association Great Decisions 1987
program.
The Century of the Pacific...

“A Pacific community has come into being in the past decades, and the world is increasingly taking notice of it. This has come about not by grand design but largely by the economic dynamism of individual countries. The U.S., as a Pacific nation, is part of this community and must carefully consider its future political, economic and security policies there. Some argue that the 21st century will be 'the century of the Pacific.' Will Americans be prepared for it?”

— Great Decisions 1987
Foreign Policy Association
WHY I AM WRITING THIS

Why am I writing this on a sunny day in Honolulu when I could be relaxing on the beach at Waikiki?

The answer begins in the final months of World War II when I came to the Asia-Pacific area after 18 months in Europe and more than three years in the army. There was a brief stop in New Guinea, several weeks in the Philippines and two months in occupied Japan, ending in December 1945.

It wasn’t until 1970 that I had an opportunity to return to Japan and also visit Hong Kong, Taiwan and South Korea.

I was stunned. In 25 years, the Japan that had been demolished by war had been rebuilt into a nation of exciting cities with throbbing vitality. Later I found this same driving determination to develop was also emerging in other places in war-torn Asia, including mainland China.

In 1975 I traveled from China’s oil fields near the Soviet border in the far north to the Hong Kong border in the south, and felt the latent strength of this vast, teeming nation. Asia-Pacific became a predominant interest for me as a newspaper editor. There were more trips to Japan and Hong Kong, and to Australia, New Zealand, Guam and Fiji.

Three seminars (in 1984, 1985 and 1986) at the East-West Center strengthened my belief that the 21st century would indeed be "The Century of the Pacific." I was equally convinced that I wanted to become a part of this development. Upon retirement from The Milwaukee Journal, where I had been editor for 18 years and a senior vice-president, I came to the East-West Center to study projects to improve mass communication in the developing nations of Asia-Pacific.

Before leaving the U.S. mainland and after arriving in Honolulu I made a point of discussing Asia-Pacific with fellow journalists. I learned several things:

1. Very few mainland newsmen knew very much about what was happening in the Pacific Island nations.

   "What do you think about the Soviet Union’s treaty with Kiribati?" I would ask.

   "Where is Kiribati?" was the usual response.

2. Reporters who cover the developing nations of Asia-Pacific feel that their stories don’t get the attention that they deserve.
"The people on the desk in New York never heard of the Central Pacific," a former correspondent complained.

3. It was difficult to find a working journalist who could name the newly industrialized countries (NIC's) of Asia-Pacific and the members of the Association of Southeast Asian Nations (ASEAN).

After the Soviet Union failed to renew its fishing rights treaty with Kiribati, attention shifted to Soviet efforts to reach an agreement with Vanuatu which would give Soviet ships fishing rights and permission to use the ports of Vanuatu, a significant event for anyone concerned with American interests in the Pacific.

I mentioned this development to an editor.

"Vanuatu?" he asked with a puzzled look.

That was when I decided to delay my plan to study mass communication in Asia-Pacific and begin preparing a booklet with some basic information about Asia-Pacific for fellow journalists.

Richard H. Leonard
Chairman, International Press Institute, 1984-86
Editor, The Milwaukee Journal, 1967-85
President, Society of Professional Journalists, 1976-77
Member, Pulitzer Prize Board, 1976-86

Honolulu, March 1987
WHY NEWSPEOPLE SHOULD READ THIS BOOKLET

Americans "are not now aware of the immensity of the Pacific Rim — nor the enormous role it is playing and will play in their lives."

That was the pointed message delivered to the American Newspaper Publishers Association convention in 1986 by Dianne Feinstein, the mayor of San Francisco.

"You have work to do!" she admonished the publishers.

That was sound advice for all U.S. journalists. Newspaper readers, TV viewers and radio listeners are in dire need of more information on significant events now taking place as the winds of change sweep across the Pacific.

A veteran foreign correspondent now living in Hawaii becomes angry when news coverage of Asia-Pacific is discussed.

"Damn," he exclaims, "the news media aren't paying attention to what's happening right under their noses. Some day there is going to be a big newsbreak in the Pacific and readers will be asking why they hadn't been told about the situation leading to the big story. The press should be doing a better job of preparing people for things to come."

Here are some of the situations riding on the winds of change:

A major military buildup by the Soviet Union is taking place. A former U.S. navy installation at Cam Ranh Bay in Vietnam has been expanded into a mighty base for Soviet warships, submarines, bombers and fighter planes only a few hundred miles from the Philippines, now plagued by Communist insurgency and uncertainty concerning the future of U.S. bases there. The Soviet naval presence has also increased in the Gulf of Thailand.

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A determined Soviet political offensive is under way. A recent agreement with Vanuatu brings the Russians ashore in the South Pacific. Similar arrangements are being sought with Papua New Guinea, Fiji and other island
nations. At the same time efforts are being made by Russians to ease their tensions with Japan and China.

* * *

The U.S. strategic position in Asia-Pacific is being threatened by growing opposition to our naval and air bases in the Philippines, and weakened by the suspension of New Zealand from the ANZUS security alliance with the U.S. and Australia.

* * *

Countries which have long been allied with the U.S. are now in a period of transition. The Philippines have new leadership. South Korea and Taiwan have leadership changes coming up.

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America’s foe, Libya, is showing an eagerness to take part in the affairs of New Caledonia, Vanuatu and other places.

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Failure of the U.S. to sign the Law of the Sea Treaty and our refusal to support nuclear-free zones in the Pacific have stirred anti-American feeling among people who were our friends.

* * *

The agreement reached by the U.S. and South Pacific island nations to permit American tuna boats to fish in island waters isn’t as amicable as we hoped it would be.

* * *

Economic opportunities in developing nations are being pursued eagerly by Japanese businessmen while Americans are lagging.

* * *

U.S. trade with the Pacific Rim nations created a U.S.
deficit of more than $75 billion in 1985. If we resort to protectionism to reduce the deficit, there is likely to be an adverse effect on relations with Asia-Pacific nations which depend on us to be a prime market.

A warning that we must give Asia-Pacific higher priority was sounded by the Foreign Policy Association in its Great Decisions 1987 program:

"The Reagan administration recognizes that the security, growth and prosperity of the U.S. are linked to its Pacific neighbors. Yet at a time when the region's importance is increasing, the U.S. has not come to grips with some problems that trouble its regional friends and allies. U.S. trade protectionism tops the list. The U.S. desire for Japan to build up its forces and its intention to have nuclear-armed warships continue to make port calls have also created friction. The U.S. has long had its back to the Pacific. It can no longer afford to do so."

The recent U.S. intervention on behalf of democracy in the Philippines was an impressive indication of increasing interest in Asia-Pacific. Current diplomatic activity related to the establishment of democratic government in South Korea is further evidence of growing awareness of the area's importance.

Equally encouraging to journalists covering the Pacific Islands was the attention that U.S. newspapers and broadcasters gave to the coup in Fiji. However, Paul Addison of the Honolulu Advertiser makes the point that coverage of political crises is only part of the assignment. There is a crying need, he says quite correctly, for more attention to the underlying social and economic problems of the Pacific.

The Century of the Pacific...

"There is no doubt that we are entering the century of the Pacific."

— Michael J. Mansfield
United States Ambassador to Japan
Intelligent thinking about Asia-Pacific begins with a definition of the region and knowledge of populations. The East-West Center is concerned with a region that begins with Pakistan and India at its western boundary and runs east through the Pacific Ocean to French Polynesia and the Pitcairn Islands. China and Japan are at the northern boundary; Australia and New Zealand at the southern.

The major geographical groupings, with 1985 estimated populations, are:

| South Asia     | India          | 767,681,000 |
|               | Bangladesh     | 101,408,000 |
|               | Pakistan       | 99,199,000  |
|               | Nepal          | 16,966,000  |
|               | Sri Lanka      | 16,344,000  |
|               | Bhutan         | 1,417,000   |
|               | Maldives       | 182,000     |

| East Asia      | China          | 1,037,588,000 |
|               | Taiwan         | 19,338,000   |
|               | Japan          | 120,731,000  |
|               | South Korea    | 42,643,000   |
|               | North Korea    | 20,082,000   |
|               | Hong Kong      | 5,287,000    |
|               | Mongolia       | 1,893,000    |

| Southeast Asia | Indonesia      | 173,103,000  |
|               | Vietnam        | 60,492,000   |
|               | Philippines    | 56,808,000   |
|               | Thailand       | 51,546,000   |
|               | Burma          | 36,919,000   |
|               | Malaysia       | 15,467,000   |
|               | Kampuchea      | 6,249,000    |
|               | Laos           | 3,605,000    |
|               | Singapore      | 2,556,000    |
|               | Brunei         | 232,000      |

| Oceania        | Australia      | 15,345,000   |
|               | New Zealand    | 3,271,000    |
|               | Pacific Islands| 6,463,500    |
The best way to become acquainted with the Pacific Island nations and territories is to sort them into Melanesia, Micronesia and Polynesia. Their approximate boundaries are:

**Melanesia** — Mostly south of the equator spanning an area from Papua New Guinea (which is north of Australia) to Fiji at the International Date Line. Melanesia means “the dark islands,” a reference to the dark skinned natives.

**Micronesia** — Mostly north of the equator, running from Palau (east of the Philippines) to the International Date Line. Micronesia means “the small islands.”

**Polynesia** — Mostly east of the International Date Line, reaching from Hawaii in the north to the Cook Islands, French Polynesia and the Pitcairns in the south. Polynesia means “many islands.”

These are the island nations and a territory (with estimated 1985 populations) in **Melanesia**:

Papua New Guinea, population 3,326,000, a former United Nations Trust Territory administered by Australia; became independent in 1975.

Fiji, 700,000, a former British Colony which became independent in 1970.

Solomon Islands, 267,000, a former British Protectorate; became independent in 1978.

New Caledonia, 149,000, a French Overseas Territory.

Vanuatu, 140,000, formerly the New Hebrides, administered jointly by France and Great Britain; became independent in 1980.

**Micronesia** includes:

Guam, 119,540, an unincorporated U.S. Territory since 1898.

Federated States of Micronesia, 86,000, formerly part of the U.S. Trust Territory of the Pacific Islands; self-governing since 1979 in free association with the U.S., which announced termination of the trusteeship in 1986.

Kiribati, 61,000, formerly the Gilbert Island Protectorate of
Howard Graves of the *Associated Press* interviews President Lazarus Salii in Palau
Great Britain, plus the Line and Phoenix islands; became independent in 1979.

Republic of the Marshall Islands, 35,000, formerly part of the U.S. Trust Territory; self-governing since 1979 in free association with the U.S.; termination of trusteeship announced in 1986.

Commonwealth of the Northern Mariana Islands, 17,700, formerly part of the U.S. Trust Territory; became a U.S. Commonwealth (similar to status of Puerto Rico) in 1976; termination of trusteeship announced in 1986.

Republic of Palau, 13,000, part of U.S. Trust Territory; self-governing since 1981 in free association with U.S. Termination of the trusteeship has been delayed by problems with Palau's strong anti-nuclear constitution. Its ban on nuclear weapons conflicts with the Compact of Free Association proposed by the U.S. Voters in Palau have indicated that they favor lifting the nuclear ban.

Nauru, 8,000, a former United Nations Trust Territory administered by Australia; became independent in 1968.

Note: The United Nations Trusteeship Council has adopted a resolution declaring that the people of the Northern Marianas, Marshall Islands, Federated States of Micronesia and Palau have freely exercised their right to self-determination in choosing their future status. The Soviet Union contends that the trusteeships cannot be terminated without approval of the U.N. Security Council. However, the U.S. has announced termination of trusteeship for all except Palau.

Polynesia:

Hawaii, 1,054,000, a U.S. Territory from 1898 until it became a State in 1959.

Western Samoa, 160,000, a former United Nations Trusteeship administered by New Zealand; independent since 1962.

French Polynesia, 148,000, a French Overseas Territory since 1880.

Tonga, 103,000, an independent Kingdom since 1970; formerly a British Protectorate.
American Samoa, 33,800, an unincorporated U.S. Territory since 1899.

Cook Islands, 16,900, became self-governing in free association with New Zealand in 1965.

Wallis and Futuna, 11,943, French Overseas Territory since 1961.

Tuvalu, 8,580, formerly the Ellice Island Colony of Great Britain; became independent in 1978.

Niue, 3,400, self-governing in free association with New Zealand since 1974.

Tokelau, 1,600, a New Zealand Territory since 1948.

Pitcairn, 61, the last British Colony in the Pacific.

The Foreign Policy Association has the following brief summary of Pacific colonial history in Great Decisions 1987:

"Before World War II, many Pacific countries were dominated by external powers — Indonesia by the Dutch, Indochina by the French, Malaya and Singapore by the British, the Philippines by the Americans, and Korea by the Japanese. Major U.S. involvement in Pacific affairs dates from the Spanish-American War of 1898, when the U.S. acquired the Philippines and annexed Hawaii and Guam. In 1899 it divided up Samoa with Britain and Germany..."

"The postwar (World War II) world saw the rapid decolonization of Asia. Britain, which had formerly granted Australia autonomy in 1942, did the same for New Zealand in 1947. Independence came to South Korea in 1945, the Philippines in 1946, Indonesia in 1949 and Malaya in 1957. Many small island groups became independent nations in the 1960s and 1970s."

The Century of the Pacific..."

"Every day, four out of five of the world's big jet airliners are to be found in flight not between New York and Heathrow (London), nor serving the historic cities of Europe, but somewhere above the endless waters of the Pacific. More than half the world's international business calls will be bouncing by satellite, cable and receiving dish between Tokyo and Los Angeles, Hong Kong and Panama, Jakarta and Sydney, Vancouver and Singapore."

— The Australian
Sydney, Australia
COLLECTIVE SECURITY

Moscow Sees
A Bigger Role
For Itself
In the Pacific

A Soviet Foothold
in the South Pacific

Vanuatu Signs $1.5 Million
Fishing Pact with Russians

Moscow’s Moves in the Far East Worry Washington

Headlines like these probably do more than anything else to make Americans aware of Asia-Pacific.

Indeed, collective security has top priority in U.S. foreign policy for the region.

Admiral William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, and former Commander in Chief of the U.S. Pacific Command, has emphasized the role of the U.S. armed forces in the peaceful development of the Pacific nations.

“U.S. military strength clearly has been an important element in this effort,” he declared in a speech. “Only the U.S. possessed the power to deter Soviet intimidation and adventurism. The U.S. shield, our military umbrella, has permitted these societies to concentrate on internal development and to realize their potential.”

The U.S. Department of the Interior, in a pamphlet aimed at attracting American businessmen to the Pacific, points out prominently:

“The American Pacific represents a vital region for U.S. security interests. Defense installations on Guam and long-term defense leasing rights on the Northern Mariana Islands ensure an increasing defense presence in the U.S. territories.”

Admiral Ronald J. Hays, Commander in Chief of the U.S. Pacific Command, says that the U.S. has achieved a substantial increase in war-
fighting capability in the last 10 years. In a foreword to Asia-Pacific Defense FORUM, he writes of the accelerated military buildup:

“Soviet military strength and its ability to project power beyond its borders continued to grow as we entered the 1980s. Soviet combatant ships and aircraft began making routine use of new ports and airfields in the Pacific region. We became especially concerned by a growing Soviet ‘blue water’ navy . . . Concerned about this Soviet military buildup, the United States began to reassert itself in the early 1980s. The American people decided that the time had come to rebuild and maintain a strong national defense. During this same period, the importance of the Pacific region to the U.S. and the rest of the world received new recognition. The new American defense resolve, coupled with a growing appreciation for the Pacific region, translated into new equipment, better training, larger stockpiles, and higher quality people for the Pacific Command.”

Admiral James A. Lyons, Jr., Commander in Chief, U.S. Pacific Fleet, writing in the same publication, says:

“The Pacific Fleet has evolved both qualitatively and quantitatively into the most capable ever — designed for 21st century needs to maintain deterrence and preserve the peace in a changing Asia-Pacific region.”

“The Soviet modernization and enlargement of Cam Ranh Bay, their first fully developed overseas base, is most noteworthy. There were only two piers there when the U.S. Navy left it in the early seventies. Now there are seven. On any day, about 25 ships are there, including three to five submarines, and airfield facilities have more than tripled to support strike bombers, ASW (anti-submarine warfare) and reconnaissance aircraft and MIG-23 ‘Flogger’ fighters. In addition to threatening the nearby sea lanes in the South China Sea, Soviet bombers, flying from Cam Ranh Bay, could be over Australia in about four hours.

“Beyond Cam Ranh Bay, the Soviets are also attempting to extend their influence to other areas of Southeast Asia. They have supported construction and improvement of naval facilities at Kom Pong Song, Cambodia. Their presence has also increased in the Gulf of Thailand.”
The importance of the Philippine bases has been emphasized by Admiral Lyons. The loss of the bases by the United States, he said, would be turning over our friends and allies to Soviet political and military domination in that region.

In *Great Decisions 1987*, the Foreign Policy Association says:

“Since World War II, the U.S. has tended to take its predominant role in the Pacific for granted. In the past decade, however, its military and economic primacy has been increasingly challenged. The Soviet Union is in the midst of a major military buildup. With access to the former U.S. base at Cam Ranh Bay in Vietnam, the Soviets for the first time have a warm water port on the Pacific and a counterpart to U.S. bases in the Philippines, 750 miles to the east.

“The Soviet buildup has come at a time of growing concern about America's own military posture in the Pacific. Opposition to the U.S. military presence in the Philippines jeopardizes the future of U.S. bases there. These bases provide critical support to U.S. forces in the western Pacific. And New Zealand has been suspended from the long-standing security alliance linking it and Australia to the U.S.” (New Zealand was suspended after it refused to allow visits by U.S. ships with nuclear weapons.)

Collective security treaties for Asia-Pacific signed by the U.S. include:

The ANZUS Security Treaty between Australia, New Zealand and the U.S., which was signed in 1952. New Zealand was suspended August 11, 1986, as noted above.


The Manila Pact Southeast Asia Collective Defense Treaty (1954). This was originally signed by the Philippines, Thailand, Australia, New Zealand, Pakistan, United Kingdom, France and the United States. France and Pakistan withdrew. The Southeast Asia Treaty Organization, set up to implement the treaty, was disbanded in 1977.

It is important to remember that collective security agreements with the U.S. are part of the Compacts of Free Association tied to the conclusion of trustee relations with the Commonwealth of the Northern Marianas, the Republic of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau.

Guam, a U.S. Territory, is a major base for both the navy and air force.

_The Century of the Pacific..._

"The Pacific Rim has changed dramatically over the past decade as much at the U.S. Pacific Fleet. The economic vitality of the rimland nations has been astonishing. America’s trading patterns have undergone a dramatic change, and for the past six years our trade with the Asia-Pacific region has exceeded that with Europe... With 58% of the world’s population, vast natural and human resources, and America’s own demographic shift to the south and west, the Pacific Basin is where America’s 21st century interest will be focused."

— Admiral James A. Lyons, Jr.
Commander in Chief, U.S. Pacific Fleet

Admiral James A. Lyons, Jr.
CRITICAL ISSUES

“It is appropriate to begin an examination of critical issues in the Asia-Pacific region with the fundamental question of war and peace. Can this region, so often the scene of conflict during the 20th century, develop and consolidate a peaceful political order on both the domestic and regional levels? Not only is this question crucial from a humanitarian perspective, it is also closely intertwined with the region’s economic future.”

— Asia-Pacific Report
East-West Center, 1986

The current sources of potential conflicts among Asians are mostly border problems. The most prominent are those between:

China and the Soviet Union
China and Vietnam
China and India
India and Pakistan
Thailand and Kampuchea
Thailand and Laos

Other international problems of importance involve:

Tension between North Korea and South Korea
Soviet occupation of northern territories claimed by Japan
Reunification of mainland China and Taiwan
Soviet military and diplomatic activity in the Pacific

Domestic difficulties include:

Conflict between ethnic Fijians and indigenous Indians
Challenges to the Aquino government in the Philippines
Ethnic insurgencies in Burma
Tamil separatists in Sri Lanka
Muslim separatists in Thailand
Insurgents opposed to Indonesian rule in East Timor
Papuan separatists in West Irian
Ethnic tensions in French ruled New Caledonia
Ethnic tensions in Malaysia
Sikh separatists in India
THE AMERICAN PACIFIC

A campaign to sell businessmen on the advantages of locating in "The American Pacific" is being waged by President Reagan and the U.S. Department of the Interior.

When they speak of the American Pacific they are referring to American Samoa in the South Pacific, and Guam and the Commonwealth of the Northern Mariana Islands in the North Pacific.

American Samoa, the most southerly of all lands under U.S. ownership, is an unincorporated Territory. It is east of Western Samoa, which is an independent Pacific Island nation. The residents of American Samoa are nationals of the U.S. and have free entry to the U.S. They may become citizens by meeting the requirements of the Immigration and Nationality Act. Some have achieved citizenship by serving in the U.S. military forces. The Territory is administered by the Department of the Interior, but now elects its own governor. The capital is Pago Pago, pronounced Pango Pango. The principal industry is tuna canning. The population in 1985 was 33,800.

Guam is a self-governing unincorporated Territory under the jurisdiction of the Interior Department. Its residents are U.S. citizens but cannot vote in presidential elections. The island is the site of Andersen Air Force Base and the U.S. Naval Station at Apra Harbor. There is a daily newspaper — one of a few in the Pacific Islands — at Agana, the capital. Population, 119,540.

The Northern Marianas, directly to the north of Guam, were part of the Trust Territory of the Pacific Islands assigned to the U.S. for administration in 1947. Residents voted in 1975 to establish a Commonwealth Covenant in Political Association with the U.S. In November 1986, President Reagan announced that the Northern Marianas Islands were now "a Commonwealth and its people are now United States citizens." The Trusteeship Council of the United Nations has approved the new Commonwealth status. The Soviet Union has argued that the Security Council must also give its approval. The Commonwealth is self-governing with military protection and a wide range of benefits from U.S. government agencies. Tourism is the main industry. The capital is Saipan, the scene of bloody fighting in World War II. Population, 17,700.

In its publication, Doing Business in the American Pacific, the Interior Department describes the advantages of American Samoa, Guam and the Northern Marianas this way:
The U.S. Flag: The fact that the U.S. Pacific territories are part of the United States means you can do business there with fewer problems and at less cost. English is universally spoken and the accent is American. U.S. laws apply and the U.S. courts have jurisdiction. The U.S. dollar is the local currency. There are no restrictions on the transfer of information or technology. Several U.S. banks are represented. U.S. banking regulations and FDIC insurance are applicable. U.S. government agencies including the Federal Aviation Administration, Weather Service, the Coast Guard, the National Park Service, the Department of Agriculture and the Small Business Administration provide services to the islands.

American Samoa, Guam and the Northern Marianas are not, of course, the only American interests in the Pacific.

Hawaii is a State and the site of Pearl Harbor. There are about 125,000 U.S. military personnel and dependents in Hawaii.

The new Republic of the Marshall Islands and the Federated States of Micronesia are linked to the U.S. through Compacts of Free Association. These Compacts give the U.S. responsibility for their defense and provide that the U.S. will continue public health services, weather information, disaster relief, international postal service and other benefits. The U.S. has a 100 year lease on 17,900 acres on Saipan and Tinian islands.

A similar Compact of Free Association is being negotiated with Palau, which is now in the process of becoming an independent Republic. The U.S. has a 50 year option on use of an airfield and harbor at Palau.

Kwajalein Atoll in the Marshall Islands remains an important test target for U.S. unarmed intercontinental missiles launched from Vandenberg Air Force Base in California, 4,800 miles away.

The Philippine Islands became independent in 1946, but the U.S. still has important naval and air force bases there.

Among the smaller U.S. island possessions in the Pacific are Midway, Johnston Atoll, Kingman Reef, Palmyra Atoll, Wake, Jarvis, Howland and Baker.
WE’VE GOT TRADE PROBLEMS

Foreign trade is a compelling reason for paying more attention to Asia-Pacific. The U.S. deficit in 1987 is unlikely to reach the $175 billion record forecast earlier this year, but it is still enormous and much of it results from Pacific Rim trade.

Some important people and publications have spread the word about the huge U.S. trade deficit — and pointed accusingly across the Pacific, especially toward Japan.

“The trade deficit is the most important economic problem facing the nation ... Action is long overdue. For two years the United States has temporized, alibied, tinkered with the currency, even tried to pretend the problem does not exist. Meanwhile the problem has continued to grow.”

— Representative Jim Wright
Speaker of the House of Representatives
January 1987

“To achieve lasting adjustment, Japan must open its market to more imports from developed and developing nations alike ... The House of Representatives in the last session had a large Democratic majority and it passed a trade bill that was very undesirable from the standpoint of protectionism. It didn’t make it all the way through because President Reagan was very much opposed to it and the Republicans had control of the Senate. (With a Democratic majority also in the Senate) that situation has changed.”

— George Shultz
Secretary of State
January 1987

“Make no mistake about it, the trade imbalance is a substantial problem ... We do not seek Japan’s guarantee that we will sell our products, but we do seek the opportunities, generally speaking, that we give Japanese in the U.S.”

— Michael J. Mansfield
Ambassador to Japan
January 1987
“Taiwan’s economy is mired in success, generating so much wealth from exports — mostly to America — that no one knows what to do with the cash. That is creating financial and political difficulties that might seem humorous from afar but that are taken very seriously here.”

— New York Times
December 1986

“A new center of world commerce, industry and wealth is emerging along the western rim of the Pacific Basin, rivaling the original centers of the industrial revolution based on the North Atlantic. This development has occurred in an unprecedentedly short period of time. No one could have predicted a quarter of a century ago that in the 1980s Japan would be the world’s largest manufacturer of automobiles, that South Korea would be a major center of steel production and shipbuilding, or that Malaysia would be a leading world exporter of semiconductors.”

— Asia-Pacific Report
East-West Center, 1986

Our trade deficit in 1986 reached $169.8 billion, the U.S. Commerce Department said in January 1987 — a new record high. That is the difference between what we bought from other nations and what we were able to sell them. Speaker Wright said in January 1987 that we might set a new record of $175 billion in 1987 but there has been an improvement in the balance of trade since then, partly because of a weakening of the dollar.

Japan reported a trade surplus of $82.6 billion in 1986. The U.S. contributed $58.6 billion to the Japanese surplus.

Our trade relationship with Japan is highly complicated. On the positive side, Japan is the largest market for U.S. agriculture and the second largest market for our manufactured goods after Canada. Japan is also a heavy investor in the U.S. In 1985 the investment totaled $75 billion.

Business Week reported in July 1986: “A new wave of Japanese investment is sweeping across America. Unlike earlier commitments to coastal areas, the second wave is reaching deep into the heartland. It is spawning Japanese industrial centers such as ‘Auto Alley,’ stretching into the mid-South, and ‘Silicon Forest’ in the Northwest. It is giving failing American companies a fresh start through infusions of Japanese capital and management. And it is providing new sources of financing to local and state governments, which were once suspicious and fearful of outsiders.”
Japan is also increasing its economic influence in Asia-Pacific, where it has become a major source of capital.

"Southeast Asia is again looking for help," said Business Week in November 1986. "This time it is Japan, not the U.S., that is taking the lead in transferring capital and technology."

Japan today is the main trading partner for Indonesia, Malaysia, Singapore, Thailand and Australia, and the second largest partner for Hong Kong, South Korea, the Philippines and Taiwan. It is also becoming a significant exporter to China.

"By outworking and often outsmarting their American and European rivals, Japanese companies have taken such a lead in doing business with China that other countries have only a meager chance of catching up," The New York Times has reported.

There has been a major shift to the Pacific in the U.S. trading pattern. From 1970 to 1985, the exchange of foreign goods between the U.S. and the Pacific-East Asia region increased more than tenfold, according to the Foreign Policy Association.

"The two-way trade between the region and the U.S. now surpasses that between the U.S. and Western Europe," the Foreign Policy Association said in Great Decisions 1987. "In 1985, U.S. exports to the region totaled $53 billion and U.S. imports from the region $134 billion. U.S. investment in the region has passed $30 billion and continues to grow more rapidly there than in any other part of the world."

U.S. imports from Hong Kong, Taiwan and South Korea accounted for 12.5% of all U.S. imports at the end of 1986, according to Business Week. In the same year, combined imports from West Germany, Britain and France were not much more — 16% of total U.S. imports.

There is worry in Asia-Pacific that the U.S. will place increasing emphasis on protectionism as it attempts to reduce its trade deficit. This could be a crippling blow to developing nations which depend on the U.S. market. The Asia-Pacific Report has commented:

"Overall growth rate in the developed world will be the most important determinant of markets for the goods of the developing Asia-Pacific countries. Thus the continuing leadership of the United States in sustaining its own economic momentum and in maintaining an open world trading system is essential."

Seiji Naya, director of the Resource Systems Institute at the East-
West Center, is optimistic about the future of the developing countries. Appearing before the Joint Economic Committee of Congress in December 1986, he said:

“Although the growth rates of the Asian developing countries have slowed in the 1980s, they will not stay down for long. The dynamism and market orientation of these countries will continue to provide tremendous trade and investment opportunities in a wide variety of areas. It is important for the United States to participate, rather than retreat from the increasing interdependence in the region. American businesses need to reach out and actively take advantage of trade and investment opportunities in Asia.”

The U.S. Department of Commerce report on 1986 trade, issued in January 1987, contains the following information:

- Countries Selling to the U.S. .......... $387.1 billion
- Countries Buying from the U.S. ......... 217.3 billion
- U.S. Trade Deficit .................... 169.8 billion
- Trade Deficit with Japan ............... 58.6 billion

Information on Pacific Rim trade with our top ten partners in 1985 was given in a *San Diego Union* research project:

<table>
<thead>
<tr>
<th>Country</th>
<th>Exports to U.S.</th>
<th>Imports from U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>$68.7 billion</td>
<td>$22.1 billion</td>
</tr>
<tr>
<td>Taiwan</td>
<td>16.3 billion</td>
<td>4.4 billion</td>
</tr>
<tr>
<td>South Korea</td>
<td>10.7 billion</td>
<td>5.7 billion</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>8.3 billion</td>
<td>2.7 billion</td>
</tr>
<tr>
<td>Indonesia</td>
<td>4.5 billion</td>
<td>.8 billion</td>
</tr>
<tr>
<td>Singapore</td>
<td>4.2 billion</td>
<td>3.4 billion</td>
</tr>
<tr>
<td>China</td>
<td>3.8 billion</td>
<td>3.8 billion</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2.3 billion</td>
<td>1.4 billion</td>
</tr>
<tr>
<td>Philippines</td>
<td>2.1 billion</td>
<td>1.3 billion</td>
</tr>
<tr>
<td>Thailand</td>
<td>1.4 billion</td>
<td>.7 billion</td>
</tr>
</tbody>
</table>

As 1987 progressed, it appeared that Japan would be the world's largest creditor nation for the second year in a row. The United States deficit was likely to remain unacceptably high.

Steps which might be taken to change this situation could have immense impact on Asia-Pacific.
GROWTH RATES AND INCOME GAPS

East Asia-Pacific is the fastest growing region of the world in percentage share of the world's Gross National Product, according to a 1983 Japanese government report titled *Japan in the Year 2000*. This region includes East and Southeast Asia, China and Oceania. It does not include South Asia — Pakistan, India, Nepal, Bhutan, Bangladesh, Sri Lanka and the Maldives.

The East Asia-Pacific share of the world's GNP in 1960 was 11.1%. by 1980 is had climbed to 18.5%.

The regional shares of the GNP were:

<table>
<thead>
<tr>
<th>Region</th>
<th>1960</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Europe</td>
<td>22.8%</td>
<td>25.7%</td>
</tr>
<tr>
<td>North America</td>
<td>36.0%</td>
<td>24.5%</td>
</tr>
<tr>
<td>East Asia-Pacific</td>
<td>11.1%</td>
<td>18.5%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>30.1%</td>
<td>31.3%</td>
</tr>
</tbody>
</table>

However — and this is a very important however — the Organization for Economic Cooperation and Development (OECD) points out that the income gap between the rich and poor nations continues to be enormous.

Per capita income measured in 1981 U.S. dollars was:

<table>
<thead>
<tr>
<th>Region</th>
<th>1960</th>
<th>1984</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. and Canada</td>
<td>$7,891</td>
<td>$13,150</td>
</tr>
<tr>
<td>Asia's Developing Nations</td>
<td>257</td>
<td>571</td>
</tr>
</tbody>
</table>

Commenting on these per capita income figures, *Business Week* said in February 1987, “The study's most helpful note is evidence that a number of Asian countries — such as Singapore, Hong Kong and Taiwan — are rapidly narrowing their income gaps with the industrialized world. They're the exceptions, however, even in Asia.”

Louis Emmerij, president of the OECD's Development Center, said it would take more than two centuries for Asia's developing nations as a whole to catch up with the advanced industrial nations if both groups were to maintain their per capita income growth rates of the past 15 years.

The following figures from *Asia-Pacific Report* illustrate gaps. The average annual growth rate is based on the Gross Domestic Product, which measures the total final output of a country’s economy. Per capita income is based on the Gross National Product, which measures total domestic and foreign output claimed by residents of a country.
<table>
<thead>
<tr>
<th>Region</th>
<th>Country</th>
<th>Average Annual Growth Rate 1973-83</th>
<th>Per Capita Income 1983</th>
</tr>
</thead>
<tbody>
<tr>
<td>East and Southeast Asia</td>
<td>Burma</td>
<td>6.0%</td>
<td>$180</td>
</tr>
<tr>
<td></td>
<td>China Mainland</td>
<td>6.0%</td>
<td>$300</td>
</tr>
<tr>
<td></td>
<td>Taiwan</td>
<td>7.4%</td>
<td>$2,670</td>
</tr>
<tr>
<td></td>
<td>Hong Kong</td>
<td>9.3%</td>
<td>$6,000</td>
</tr>
<tr>
<td></td>
<td>Indonesia</td>
<td>7.0%</td>
<td>$560</td>
</tr>
<tr>
<td></td>
<td>Kampuchea</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>North Korea</td>
<td>NA</td>
<td>$923</td>
</tr>
<tr>
<td></td>
<td>South Korea</td>
<td>7.3%</td>
<td>$2,010</td>
</tr>
<tr>
<td></td>
<td>Malaysia</td>
<td>7.3%</td>
<td>$1,860</td>
</tr>
<tr>
<td></td>
<td>Philippines</td>
<td>5.4%</td>
<td>$760</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>8.2%</td>
<td>$6,620</td>
</tr>
<tr>
<td></td>
<td>Thailand</td>
<td>6.9%</td>
<td>$820</td>
</tr>
<tr>
<td></td>
<td>Vietnam</td>
<td>NA</td>
<td>$160*</td>
</tr>
<tr>
<td>South Asia</td>
<td>Bangladesh</td>
<td>5.2%</td>
<td>$130</td>
</tr>
<tr>
<td></td>
<td>Bhutan</td>
<td>NA</td>
<td>$90</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td>4.0%</td>
<td>$260</td>
</tr>
<tr>
<td></td>
<td>Nepal</td>
<td>3.0%</td>
<td>$160</td>
</tr>
<tr>
<td></td>
<td>Pakistan</td>
<td>5.6%</td>
<td>$390</td>
</tr>
<tr>
<td></td>
<td>Sri Lanka</td>
<td>5.2%</td>
<td>$330</td>
</tr>
<tr>
<td>Pacific Islands</td>
<td>Fiji</td>
<td>NA</td>
<td>$1,950*</td>
</tr>
<tr>
<td></td>
<td>Papua New Guinea</td>
<td>1.0%</td>
<td>$760</td>
</tr>
<tr>
<td></td>
<td>Solomon Islands</td>
<td>NA</td>
<td>$610</td>
</tr>
<tr>
<td></td>
<td>Tonga</td>
<td>2.0%**</td>
<td>$740</td>
</tr>
<tr>
<td></td>
<td>Vanuatu</td>
<td>NA</td>
<td>$700</td>
</tr>
<tr>
<td>Pacific Basin Industrial Market Economies</td>
<td>Australia</td>
<td>2.4%</td>
<td>$11,490</td>
</tr>
<tr>
<td></td>
<td>Canada</td>
<td>2.3%</td>
<td>$12,310</td>
</tr>
<tr>
<td></td>
<td>Japan</td>
<td>4.3%***</td>
<td>$10,120</td>
</tr>
<tr>
<td></td>
<td>New Zealand</td>
<td>8%</td>
<td>$7,730</td>
</tr>
<tr>
<td></td>
<td>United States</td>
<td>2.3%</td>
<td>$14,110</td>
</tr>
</tbody>
</table>

* 1982
** 1971-83
*** 1973-82
In short, growth rates can be terribly misleading when it comes to comparing the economic status of developed nations and developing nations.

J. Edward Murray, a former Knight-Ridder Newspapers executive, now active in training programs for Third World journalists, adds another important caveat concerning countries striving to follow the industrial development model:

"Per capita income is never distributed on a per capita basis, but rather goes largely to the metropolitan elites."

Classifying the Asia-Pacific nations by wealth is fairly easy.

There are three **developed countries**: Japan
Australia
New Zealand

There are four **newly industrialized countries**, called NIC's and also known as "The Little Japans" and "The Four Tigers":
Taiwan
South Korea
Hong Kong
Singapore

These are resource-rich countries in **ASEAN** (Association of Southeast Asian Nations):
Brunei — a sultanate with large oil resources
Indonesia — a populous land of oil, rice, coffee, sugar, minerals and rubber
Malaysia — rich in oil, rubber, palm oil, copra, rice and minerals
Philippines — an economy based on oil, sugar, rice, corn and minerals
Thailand — an abundance of rice, minerals, forests and rubber
(Singapore, one of the newly industrialized countries, is also a member of ASEAN.)

The remaining nations of Asia have very low incomes and lack profitable trade orientation. China, of course, is a nation of great resources and is growing economically, but it still ranks among the poorest of nations because of its huge population.
The 22 Pacific Island nations and territories are diverse. Per capita income in 1983 was a little more than $600 in the Solomon Islands and about $2,000 in Fiji. The immediate financial future of the smaller islands is bleak.

"A high dependence on international aid seems likely for years to come," says *Asia-Pacific Report*.

In the next 15 years the U.S. will be putting billions of dollars into the American Pacific and the nations with which we have Compacts of Free Association. Japan has announced plans to strengthen its role in the region with aid funds for technological research and development programs.

Several experienced observers of the Pacific scene do not feel that the U.S. is doing enough to help developing island nations.

"It will take another Soviet fishing agreement or a new Soviet naval base to wake them up in Washington," one of them said.

*The Century of the Pacific. . .*

"It is frequently said that the 21st Century will be the century of the Pacific Ocean. The prelude to that new age has, indeed, already begun. The countries in the Pacific are deepening their exchanges so as to strengthen the relations among them. Already in the Pacific Ocean, we witness a heavy traffic of supertankers and jumbo jets, which are the fruits of modern technology. Above the sky are the satellites, hundreds of them, enabling on-line broadcasting of television programs as well as communications among people. Hitherto untapped marine resources are now within mankind's reach. The flow of people, goods and information has been unleashed through technological innovation like so many tides and currents, meeting and parting, parting and meeting. All of these factors provide the vitality for the development of this vast community."

— Tadashi Kuranari
Foreign Affairs Minister of Japan
RAPID AND DRAMATIC CHANGE

"The Asia-Pacific region is undergoing rapid and dramatic demographic change. In some countries birth rates are still high, but in many population growth rates have fallen and families are smaller. The people of the region are enjoying better health and longer lives; they are increasingly living in urban areas and working in nonagricultural occupations. Primary education is nearly universal, and the percentages of children attending secondary schools and colleges are climbing rapidly in many countries."

— Asia-Pacific Report
East-West Center, 1986

The Asia-Pacific region had a population of 2.7 billion people in 1985 — 56% of the world’s population. The region also contained six of the world’s 10 most populous countries. They are in boldface below:

<table>
<thead>
<tr>
<th>Country</th>
<th>1985 Population in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>China (including Taiwan)</td>
<td>1,056.9</td>
</tr>
<tr>
<td>India</td>
<td>767.6</td>
</tr>
<tr>
<td>Soviet Union</td>
<td>278.4</td>
</tr>
<tr>
<td>United States</td>
<td>237.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>173.1</td>
</tr>
<tr>
<td>Brazil</td>
<td>135.6</td>
</tr>
<tr>
<td>Japan</td>
<td>120.7</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>101.4</td>
</tr>
<tr>
<td>Pakistan</td>
<td>99.1</td>
</tr>
<tr>
<td>Nigeria</td>
<td>95.2</td>
</tr>
</tbody>
</table>

Renewable resources are, of course, a matter of great concern for these huge populations. Asia-Pacific Report has this to say:

"Renewable resources — land, vegetation and water — are vitally important to the economies and well-being of the people of Asia-Pacific region. The agricultural sector alone provides employment for approximately 60% of the region’s work force, and the broad rural economy must be counted upon as the main source of new jobs in farming, small scale industries and services for up to an additional..."
750 million people in rural and semi-rural Asia by the year 2010...

"Present demands of the population of the region for food are huge and are for the most part being met by national production. Imports account for less than 10% of regional staple food consumption..."

"Although staple cereals are the main source of protein in the diets of Asians, freshwater and marine fisheries provide much of the animal protein."

Concerning minerals and fuels, Asia-Pacific Report says:

"Extractive resources play a crucial role in the economic life of Asia and the Pacific. Petroleum, natural gas, and mineral ores provide energy and raw materials for Asia's new factories. They are feedstocks for the chemical fertilizers that have vastly increased agricultural productivity. For mineral-rich producing countries of the region, the extraction and sale of minerals is a principal source of government tax revenues and foreign exchange."

Rivalry in harvesting the resources of the sea has led to creation of Exclusive Economic Zones (EEZ's) reaching 200 miles from the shores of the island nations. In the case of countries comprised of many scattered islands this has resulted in unusual situations. Kiribati, for example, has a land area of 266 square miles, smaller than New York City. But its EEZ gives it economic control of two million square miles of the Pacific Ocean.

The United Nations Convention on the Law of the Sea gives the Pacific countries sovereign rights over the mineral resources at the bottom of the ocean in their EEZ's.

"Known resources within Third World countries EEZ's include petroleum, manganese nodules, cobalt-rich manganese crusts and polymetallic sulphide deposits," according to Mark J. Valencia of the East-West Center.

Some people believe that these deep sea mineral resources will have significant economic importance, but not in the immediate future.
WHO HOLDS IT TOGETHER?

A question frequently heard from newcomers to Asia-Pacific is: “Who holds the Pacific Island nations and territories together? Who provides the regional organization?”

Until World War II the answer would have been, “No one.” The colonial powers administered their own territories without consulting anyone.

After the war, however, Australia, New Zealand, France, the United States, United Kingdom and the Netherlands formed the South Pacific Commission for training, research and discussion purposes. (The Netherlands withdrew in 1962 when it ceased to administer the former colony of Dutch New Guinea.) The charter prohibited consideration of political issues.

In 1950 the South Pacific Commission held its first South Pacific Conference for representatives from the island territories. By 1967 the South Pacific Conference had become an annual event with delegates meeting in advance of the Session of Commissioners and making recommendations to them. Since 1974 the Session of Commissioners and the South Pacific Conference have met annually as a single body known as the South Pacific Conference. Each member has one vote. The secretariat headquarters is at Noumea, New Caledonia.

Governments participating in the South Pacific Commission are Australia, Cook Islands, Fiji, France, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tuvalu, United Kingdom, United States and Western Samoa.

The South Pacific Conference members are American Samoa, Australia, Cook Islands, Federated States of Micronesia, Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Northern Mariana Islands, Palau, Papua New Guinea, Pitcairn Islands, Solomon Islands, Tokelau, Tonga, Tuvalu, United Kingdom, United States, Vanuatu, Wallis and Futuna and Western Samoa.

Feeling the need for an organization that could deal with political matters, the leaders of independent and self-governing nations of the Pacific created the South Pacific Forum in 1971. The Prime Ministers of Australia and New Zealand are also members. The Forum meets every
year and has cooperated with the South Pacific Commission in various nonpolitical projects. The Forum is regarded as a more influential organization than the Commission.

In June 1977 the South Pacific Forum members displayed their authority by declaring sovereignty over all resources, including fish and minerals, within 200 miles of their island shores. This action led to a "tuna war" in which U.S. tuna boats based in southern California were seized by Papua New Guinea, the Solomon Islands and the Federated States of Micronesia. The "tuna war" was settled with an agreement by the American tuna industry to pay $2 million a year, and the U.S. government to pay an additional $10 million annually for rights to fish in the 200 mile Exclusive Economic Zones of the island nations. The islands will receive about $60 million under the five year agreement.

The South Pacific Bureau for Economic Cooperation was founded in 1972 to help the governments of the region work together on various projects, to be a source of technical expertise, and to act as a central secretariat. The members are Australia, New Zealand, Tuvalu, Tonga, Fiji, Niue, Vanuatu, Federated States of Micronesia, Papua New Guinea, Nauru, Kiribati, Solomon Islands, Western Samoa and the Cook Islands.

Both the South Pacific Forum and the Bureau for Economic Cooperation, an outgrowth of the Forum, have headquarters at Suva, Fiji.

The Century of the Pacific...

"The Pacific Basin is emerging as the economic growth center of the world. This Administration wants the U.S. flag islands to play a key role in the projected economic growth of the entire region. We are using technical assistance and increased incentives for investment to develop a stronger private sector in the American Pacific."

"You cannot help but feel that the great Pacific Basin — with all its nations and all its potential for growth and development — that is the future."

— President Ronald Reagan
THE CULTURE GAP

"The reason why the U.S. can't understand why Japan and the NIC's are beating our brains out comparatively in world markets is that American journalists refuse to take the considerable trouble necessary to understand the underlying cultures of these Asian countries."

— J. Edward Murray
Former Knight-Ridder Newspapers Executive and East-West Center Editor in Residence

Ed Murray's feelings concerning the importance of understanding the various cultures of Asia-Pacific are shared by George Chaplin, former Editor in Chief of the Honolulu Advertiser and current Chairman of the Board of Governors of the East-West Center. Using the relationship of the U.S. and Japan as an example, he says:

"One of the basic problems between the U.S. and Japan is the existence of a pretty wide 'perception gap.' The perceptions held by Japanese and Americans about each other are of enormous importance, and the gaps between the perceptions can have worrisome implications."

He continues:

"Westerners tend to see the form in Japanese life — and miss the substance. Richard Halloran, of the New York Times, has an apt simile. Japan is likened to a bamboo pole sheathed in steel and wrapped in plastic. Through the plastic — the Ginza's neon signs, the glitter — one sees the steel, the industrial might, but the steel blocks out the bamboo, the essence of Japan."

The fundamental difference between the two nations, Chaplin says, is that the Japanese are homogeneous, a nation-family, with a common language and no difficulties in communication. Americans are heterogeneous, with hundreds of ethnic groups existing together, with many immigrant groups having problems of communication.

"Being homogeneous," he says, "the Japanese tend to be if not chauvinistic at least highly conscious of insiders and outsiders. They're insiders, everyone else is an outsider."

Other important differences include:
Americans use a short alphabet. Japanese write and speak without an alphabet, employing thousands of characters each of which is a picture of an idea.

Americans like to declare, to be direct. Japanese prefer to imply or intimate, to suggest rather than specify.

Americans view individualism as a virtue. In Japan it is discouraged from babyhood.

The group-minded Japanese are fiercely loyal to family and to employer, who often fills the role of the feudal lord of the past. In America there is frequent movement from one company to another.

"Both Americans and Japanese need to know more about the socio-cultural forces which shape the other's society and are reflected in every aspect of life," Chaplin says.

He tells of a business conference in Tokyo in which the American participant brought along his lawyer to close a friendly deal. The Japanese suddenly became less friendly and a coffee break was called. During the break a Japanese friend explained to the American that the Japanese only bring in a lawyer when there is trouble.

Cultural differences with other nations in Asia-Pacific may not be as important as those with Japan but it is equally vital that Americans understand the motivating forces in places like Indonesia, Papua New Guinea and Tonga if we wish to deal with them successfully.

"National motivation," Ed Murray says, "surely is grounded in, and issues from, a strong cultural base: religion or a world view, ancestor worship, values of the extended family, language values and mores, cultural rituals for nature's gods, seasons and moods, other rituals for the rites of passage, plus the expressions of this in the arts, music and literature."

When Americans talk about getting rid of cultural barriers, Murray adds, we are likely to mean the other person's barriers, not our own. He is also concerned about "a supercilious, superpower attitude which is poisonous for learning about and working in other cultures." He calls the failure of Americans to learn foreign languages "a condescending put-down."

Differences in mores regarding sex, food, drink, dress and gifts must be respected, Murray says, and tells a story:

"On sex, I am reminded of the group of American men and
women who went to the Micronesian islands in the 1960s to work as teachers in the rather primitive schools. During their first days of indoctrination training in the tropics, the women wore comfortable shorts and miniskirts, not knowing that the thighs are considered a taboo part of the body in Micronesia.

“To teach this mixed group of male and female Americans a cross-cultural lesson, the female Micronesian trainers one day came to work topless, which is quite acceptable dress in these islands. The American women went to slacks.”

Gregory Trifonovitch, an expert on cross-cultural orientation techniques at the East-West Center, has these suggestions for American journalists on site in a new country. Begin the study of the culture, he advises, by asking these questions:


**What are the values?** What is really important to the people? Family, and the loyal priorities in the family . . . religion . . . country . . . holidays and leisure time . . . money?

**What are the important beliefs?** On politics, economics, foreign policy, the superpowers, social problems, education, goals for the children, the rights of women.

**What is the prevailing world view?** Not necessarily a deep metaphysical view, but rather the general view of nature. For instance, the West believes strongly in *harnessing* nature, with some dire environmental consequences, whereas much of the East, including the very successful Japanese, stresses *harmony* with nature.

There is obvious resentment in parts of Asia-Pacific over the intrusion of Western, particularly American, culture as represented in films, publications, television video cassettes, news services, radio and other media. These intrusions are blamed for an increase in the consumption of junk food, rising suicide rates in certain places, pornography and a lowering of moral standards, use of drugs, breakdowns in the structure of governance, changes in family relationships, an exodus of young people from island nations to places of greater opportunity and other assorted problems.

The validity of these charges is uncertain, but there are many
people who perceive that Western culture is damaging the culture of Asia-Pacific.

Culture is not an esoteric factor in the relationship of the U.S. and Asia-Pacific. It may well be one of the most important elements in our relationship.

Howard Graves, the energetic and knowledgeable Associated Press bureau chief for Hawaii, Guam, American Samoa and the Central Pacific, shares the feeling that Americans have trouble adjusting to other cultures.

"An irony, I feel, is that four decades ago many Americans were killed or wounded capturing Pacific islands from the Japanese," he says. "However, the Japanese government is quietly spending millions of dollars to help Central Pacific island states. American entrepreneurs apparently won’t go to these islands because of the isolation, limited transportation and lack of amenities to which Americans are accustomed."
"United States: Smallest volume of foreign news about the other countries."

That was one of the conclusions of East-West Center researchers studying newspapers from the United States, Japan, People's Republic of China, Philippines, Australia, India and Pakistan.

"... statistical studies showed the United States publishes a mere fraction of news about the six other countries studied, compared to what the six publish about the United States."

That's a quote from a Honolulu Advertiser interview with one of the researchers.

The researchers say they expected to find that highly industrialized nations were showing greater awareness of and interest in the developing countries of Asia and the Pacific. This didn't happen.

Their finding: "Japan and the U.S. are seeing either about the same number or fewer items about the developing countries than 20 years ago."

The conclusion that American editors have not demonstrated new interest in developing Asia-Pacific concurs with a presstime article, "Covering Foreign News," by Marcia Ruth in April 1986. The article reported that a study of the 100 largest U.S. newspapers plus the Christian Science Monitor and Washington Times found that 23 of these papers have 186 American foreign correspondents at work in the world. Of these, 34 were in Asia-Pacific:

- Peking .................................................. 8
- Tokyo .................................................. 13
- Hong Kong ............................................. 2
- Manila ................................................. 3
- Bangkok ............................................... 3
- New Delhi ........................................... 4
- Pacific Rim .......................................... 1

The proportion of correspondents in vast, developing Asia-Pacific was less than it was ten years earlier. In the same period there was a significant increase in the number of correspondents covering Latin America, and gains in Africa and the Middle East.

The fact that the U.S. shows less interest in Asia-Pacific nations than those nations show in the U.S. was addressed by Mary G. F. Bitterman, director of the Institute of Culture and Communication at the East-
West Center, in an address to the Financial Executives Institute in Honolulu.

She noted that imbalances prevailed throughout the nations involved in the East-West study. Pakistan was the only country in the group in which the U.S. was not the principal focus of foreign interest. (In the Pakistani press, coverage of India rated first.) Japan gave more than 20 times as much coverage to the U.S. as to Australia, and the U.S. gave about seven times as much coverage to Japan as to Australia. China, India and the Philippines also had more newspaper coverage of Japan than they did of Australia. Only Pakistan gave as much coverage to Australia as Japan gave.

It would be incorrect, Bitterman says, to suppose that unequal coverage of all nations in the news of the world is due entirely, or even in large measure, to bias or to limited access of reporters to the news, or of newsmakers to reporters. Rather, she says, imbalances reflect the lesser significance of some nations in the general scheme of things, and that events in some countries have special importance for certain other countries.

Bitterman also discussed the imbalance in communication equipment, even for such a relatively simple device as the telephone.
"Japan," she said, "with only 5% of Asia's population, has 90% of its telephones. Of all the world's telephones, 10% are in Japan, and 40% in the United States and Canada, with another 40% in Europe. In all of Asia, exclusive of Japan, we find more than half the population of the world, but only 3% of the telephones. With respect to the more advanced technologies, the disparities are naturally much greater."

Most of the Pacific Island nations, she adds, have modest newspaper operations and small radio systems, but the attempts at news sharing have been hampered by lack of communication facilities. She quotes the head of the Tongan Broadcasting Commission as saying that he knows more about events in London from the BBC overseas transmission than about events in neighboring Samoa. Some of the island nations, including American Samoa, Tahiti, New Caledonia, Guam, the Commonwealth of the Northern Marianas and Papua New Guinea, have television, and Fiji will have an operational system within a year. In most urban areas, video cassette machines are popular even though there might not be TV programs.

American newspeople who come to Asia-Pacific for the first time are often surprised by the dependence on radio and the paucity of newspapers in vast areas.

Robert C. Kiste of the University of Hawaii faculty and Michael P. Hamnett of the East-West Center have written a paper, "Information Flows in the Pacific Island States," in which they say:

"Pacific societies were and are oral societies. The broadcast radio is the most important means of communication between national and territorial governments and the majority of their citizens. The dispersed nature of the countries and territories of the region and the lack of a written tradition has made radio the most economical and effective way for governments to communicate with their people. . ."

"Internal telecommunications in the countries and territories of the region are limited to small, unreliable, urban-based phone systems and single side band or short-wave radio and telex links to rural areas. Although urban centers in most countries are linked by telephone, rural areas of most countries have no access to telecommunications at all. . ."

"The most vigorous newspaper publishing programs are found in Fiji, Guam, Papua New Guinea and the French Pacific. Fiji has a lively press with two dailies and one Sunday. Guam's daily and Sunday paper is part of the large Gannett chain, and it has good international coverage. Papua New Guinea has two dailies and one quite excellent
weekly. Both Tahiti and New Caledonia have two dailies. Elsewhere, newspapers are mainly weeklies that focus almost exclusively on local affairs."

Western journalists, including some from the U.S., are increasingly accepting the challenge to help train their colleagues in the developing countries of Asia-Pacific.

J. Edward Murray, a former *Knight-Ridder Newspapers* executive, has participated in programs in Nepal, Bangladesh, Sri Lanka, Fiji, the Philippines and Papua New Guinea. He also contributes to East-West Center programs.

"This Western response to a Third World need not only makes an important contribution to economic development itself," he says. "It also helps to advance free press principles, which in turn contributes to international understanding, and we hope, even to peace."

Murray feels that Western journalists are raising professional levels in developing nations. He also feels that there should be some changes in Western journalism. He says that too much emphasis is placed on unusual events, which he calls "event-oriented journalism of exception." This type of journalism, he says, must make room for telling the story of continuing change in Third World development. He calls this "process-oriented news."

Thomas Winship, the former editor of the *Boston Globe* who was a founder and is now president of the Center for Foreign Journalists at Reston, Va., is putting immense effort into programs for development of Third World journalists.

"I don't see any possible way that we can bring the First and the Third Worlds together and make them understand each other unless the level of communication is ever so much more professional in the developing world," he says.

*The Century of the Pacific...*

"I am happy to be with you in celebration of what I call the morn of the Pacific Century... The Pacific Century will be built not by architects with grand designs. The steps to take will not be of the type of which great mythology will be spun and heroic stories will be told. What will be needed will be patient bricklayers, not impatient men behind the steering wheels of giant bulldozers."

— Dato Musa Hitam
Deputy Prime Minister of Malaysia
U.S. COLONIAL DAYS ARE OVER — ALMOST

The United States’ colonial responsibility in the Pacific is coming to an end with the termination of trusteeships over four island groups in Micronesia, but there are problems:

The Soviet Union contends that the United Nations Security Council must approve termination arrangements — and indicates that it might exercise its veto power.

The constitution of the Republic of Palau, one of the island groups, prohibits nuclear weapons. The U.S. says this must be changed before a Compact of Free Association with the U.S. can be implemented. Palau is now taking action to comply.

Residents of the Marshall Islands are suing the U.S. for billions of dollars for damages they say they suffered from U.S. nuclear testing between 1946 and 1958.

The best way to examine this complicated trusteeship situation is to look at it chronologically.

Before World War II, Micronesia was ruled by the Japanese as a League of Nations mandate. During the war these islands were taken from the Japanese by U.S. forces in some of the bloodiest fighting in the Pacific, including the battles of Kwajalein, Enewetak, Truk, Saipan, Peleliu and Palau.

In 1947, after the war, Micronesia became a United Nations Trust Territory with the U.S. administering its 2,000 islands with a population of about 140,000 spread over three million square miles of the Pacific Ocean.

In the 1960s the U.S. began making arrangements for the termination of the trusteeships.

In 1975 the people of the Northern Mariana islands voted to become a Commonwealth of the U.S. The U.S. Congress approved a Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the U.S.

In 1979 both the Marshall Islands and the Federated States of Micronesia became self-governing in free association with the United
States, which meant that the U.S. retained responsibility for their defense.

In 1981 Palau reached a similar agreement with the U.S.

On May 12, 1986 the U.S. formally advised the United Nations that it was prepared to end its trusteeships.

At the opening session of the U.N. Trusteeship Council, Ambassador Patricia M. Byrne said, “The Micronesian states are ready to emerge from their former tutelage and assume their rightful places in the world and its international organizations.”

She announced that the Marshall Islands, Federated States of Micronesia and Palau had opted in separate plebiscites for free association with the U.S., and that the Northern Marianas had chosen the status of U.S. Commonwealth.

On May 28, 1986 the U.N. Trusteeship Council adopted a resolution declaring that the people of the Northern Marianas, Marshall Islands, Federated States of Micronesia and Palau had freely exercised their right to self-determination in choosing their future status.

On October 24, 1986 Ambassador Vernon Walters advised the U.N. Secretary-General that a Compact of Free Association with the Federated States of Micronesia, and the Commonwealth Covenant with the Northern Mariana Islands would enter into force November 3. He said the Compact with the Marshall Islands had entered full force on October 21. He added that he would keep the Secretary-General advised of arrangements for putting the Compact with Palau into force.

On November 3, 1986 President Reagan proclaimed the Northern Marianas a U.S. Commonwealth and formally declared the Federated States of Micronesia and the Marshall Islands to be self-governing nations in free association with the U.S., no longer subject to the trusteeships.

With their Commonwealth status, the people of the Northern Marianas became U.S. citizens, similar to the people of Puerto Rico.

The Marshall Islands and the Federated States became sovereign nations. Their Compacts with the U.S. give them self-government and recognize their capacity in foreign affairs. They vest in the U.S. full responsibility and authority for their defense for a minimum of 15 years.

On February 26, 1987 the Federated States of Micronesia and the Republic of the Marshall Islands extended recognition to each other at a
ceremony in Hawaii.

The Soviet Union, which says the Compacts amount to U.S. military annexation of the islands, continues to insist that the U.S. cannot end its trusteeships without Security Council approval. The U.S. does not agree.

President Tosiwo Nakayama of the Federated States had this comment in an interview in "Hawaii Investor" magazine:

"The American position is that presenting the Soviets with a fait accompli will put the matter to rest. But I’m not so sure. I’m afraid we’re being caught up in the whole global game between East and West."

Negotiating a Compact with Palau has been difficult. Supporters of the Compact have not been able to get the 75% majority vote needed to override the constitutional ban on nuclear weapons. The U.S. says that the ban on nuclear weapons is incompatible with the Compact’s requirement that the U.S. defend Palau.

In March 1987 the U.S. announced that it was through negotiating with Palau.

"The U.S. will wait indefinitely for Palau to agree to the Compact’s terms," said James Berg, director of the U.S. Office of Freely Associated State Affairs.

On August 4, 1987 Palau residents voted in favor of lifting the nuclear ban and amending the constitution.

The Compacts of Free Association provide U.S. financial assistance for Micronesia’s newly sovereign nations:

The Federated States of Micronesia, with a population of about 86,000, will receive an estimated $1.2 billion in the Compact’s 15 year term.

The Republic of the Marshall Islands, with about 35,000 residents, will get $728.6 million over 15 years.

Palau, which has 13,000 people on the islands and 5,000 more overseas, will get $1 billion over 50 years if it comes into compliance with the proposed Compact and becomes the sovereign Republic of Palau.

Both the Republic of the Marshall Islands and the Federated States of Micronesia have become members of the South Pacific Forum since the termination of trusteeship.

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The conclusion of colonial days in the Republic of the Marshall Islands has made a complicated legal situation even more complicated.

In 1946, the 167 residents of Bikini were evacuated by the U.S. government so the atoll could be used for nuclear tests. The testing ended in 1958, but it may still be a decade or more before it is safe for the people of Bikini to go home. They are seeking $450 million from the U.S.

Their case is just one of 14 before the U.S. Court of Claims in which residents of the Marshall Islands are seeking payment for medical and property damage resulting from 66 atomic and hydrogen bomb tests. About 5,000 Marshall Islands people are involved and the claims total billions of dollars.

The Department of Justice has asked Judge Kenneth R. Harkins to dismiss the cases because the U.S. trusteeship has ended, thereby making the Marshall Islands a sovereign nation and freeing the U.S. from any further obligation. The Compact places $150 million in a trust fund to pay for nuclear damage claims and also creates a $47 million fund to handle future claims.

Jonathan M. Weisgall, a Washington attorney who represents the Bikini residents, argues that there is a question whether the Marshall Islands are indeed sovereign. He says U.S. authority has not been terminated because the U.N. Security Council has not given its approval.

"The United States has decided, for reasons only it can explain, not to bring the issue of trusteeship termination before the Security Council, a non-event the existence of which has been noted by the Soviet Union," Weisgall said in a brief filed with the court.

"Certainly, the Marshalls weren't a sovereignty when the damages occurred in the 12 year period of nuclear testing," he declared.

In April 1987 Judge Harkins ruled favorably on several points for the Marshall Island residents, but postponed a decision on whether the end of trusteeship had removed their cases from the jurisdiction of U.S. courts.

"He's gone 70 yards toward letting us get our day in court," Weisgall exclaimed. "We're got 30 yards to go."

The U.S. colonial days in Micronesia are almost over, but we're still an important part of it.
SPNFZ AND ZOPFAN
SPELL TROUBLE

SPNFZ stands for South Pacific Nuclear-Free Zone. ZOPFAN is the Zone of Peace, Freedom and Neutrality. Together they are causing problems for the U.S.

Most of the nations in Asia-Pacific are deeply concerned about nuclear activity. They worry about the disposal of radioactive wastes in the Pacific Ocean and the testing of nuclear weapons on Pacific islands — and the presence of warships which are nuclear-powered and carry nuclear weapons.

Statements from the U.S., Japan and France declaring nuclear material to be safe have received a jolting answer:

“If it is so safe, store it in Washington, dump it in Ibkyo and test it is Paris.”

ZOPFAN originated in 1971 when the Association of Southeast Asian Nations (ASEAN) began promoting the idea of a zone of peace, freedom and neutrality in Asia-Pacific.

SPNFZ emerged from a 1985 meeting of the South Pacific Forum at Rarotonga in the Cook Islands. Forum members proposed a Treaty of Rarotonga which declares the South Pacific to be a zone in which the manufacture, acquisition, testing and storage of nuclear devices is prohibited.

However, the treaty does not prohibit the passage of nuclear-powered ships and aircraft or the transit of nuclear weapons. Decisions on these ships, planes and weapons are left to individual countries.

The treaty has been signed by Australia, New Zealand and most of the Pacific Island members of the Forum.

The U.S. announced in February 1987 that it would not sign the protocols of the treaty. The Pentagon appears to be wary of SPNFZ for strategic reasons. It has asserted that the Soviet Union was trying to gain military advantage by calling for “nuclear-free zones that would have a much greater impact on U.S. ships and aircraft than on those of the Soviets.”
An interesting situation has developed in that the newly sovereign Republic of the Marshall Islands and the Federated States of Micronesia, formerly U.S. Trust Territories, have been accepted as members of the South Pacific Forum. They are among the Forum members who have not signed the treaty.

The U.S. refusal to join in the nuclear-free movement has created problems of headline proportions for us:

New Zealand announced that it would no longer permit U.S. nuclear naval vessels to visit there, a decision which resulted in the departure of New Zealand from the ANZUS alliance with the U.S. and Australia.

Current pressure in the Philippines to prohibit the use and storage of nuclear weapons could have serious impact on the future of vital U.S. naval and air bases there.

In 1985 the first port call by U.S. vessels to China since the Communists took over in 1949 was delayed indefinitely because China refused to allow ships with nuclear weapons to dock there.

Delay in working out a Compact of Free Association which will end U.S. trusteeship over Palau has been caused by anti-nuclear provisions in Palau's constitution.

Supporters of nuclear-free zones in Japan, the Philippines, New Zealand and elsewhere argue that visits by nuclear ships expose them to nuclear accidents, and the presence of nuclear weapons make them targets in wartime. Japan bars the "introduction" of nuclear weapons.

U.S. policy is to refuse to identify which ships are carrying nuclear arms. The U.S. also says that having ships with nuclear arms visit Japan does not constitute "introduction" of such weapons there.

The U.S. has incurred some ill will by refusing to condemn the nuclear testing by France in French Polynesia. The U.S. testing of atomic and hydrogen bombs in the Pacific ended in 1958. The French are still testing.

The bombing and sinking of the Rainbow Warrior, a vessel being used by the Greenpeace organization to protest the tests in French Polynesia, made headlines worldwide in 1985. One crew member was killed and the leaders of the Greenpeace organization narrowly escaped death when two explosions sank the Rainbow Warrior in the
harbor at Auckland, New Zealand. The resulting investigation left little
doubt that the French government had been involved in the sinking.

In the same year there was a riot at Noumea in the French
Overseas Territory of New Caledonia when French nuclear submarines
visited there.

While the U.S. is no longer testing nuclear weapons in the Pacific,
problems resulting from the tests remain. Jonathan M. Weisgall, a
Washington attorney represents former residents of Bikini who are su­
ing the U.S. for medical and property damage. He comments:

"The U.S. decision not to sign the [anti-nuclear] protocols to the
Treaty of Rarotonga will have lasting impact both on the future of the
U.S. standing among island states and, by default, on Soviet influence in
the region.

"A thesis I would like to put forward is that the views of the Pacific
Island countries toward the major regional issues today — including the
Treaty of Rarotonga, the breakdown of ANZUS, and Japan’s proposed
dumping (now shelved) — have been shaped in large part by the at­
titudes of Pacific peoples to the U.S. and French nuclear testing pro­
grams in the Pacific."

Attorney Jonathon M. Weisgall
THE EAST-WEST CENTER

The East-West Center in Honolulu, Hawaii, brings together people from the United States, Asia and the Pacific Islands to study and seek solutions to problems of social, economic and cultural change. The Center supports graduate students and scholars, and conducts research programs in which people of many cultural, political and professional backgrounds collaborate on Asia-Pacific's most critical issues.

The Center is an educational, nonprofit public institution with an international Board of Governors. The United States Congress established the Center in 1960, and principal funding comes from an annual appropriation by the Congress. Additional financial support comes from nearly 25 Asian and Pacific governments as well as private foundations, public agencies, corporations and individuals.

East-West research is conducted in four institutes — Culture and Communication, Environment and Policy, Population, and Resource Systems — and one specialized program, the Pacific Islands Development Program.

The contents of this booklet come from interviews, research and lectures at the Center in a three month period of my term as Editor in Residence (January through March, 1987) in association with Robert B. Hewett.

Hewett, former foreign correspondent and bureau chief for the Associated Press, is now Curator of the Jefferson Fellows program, which brings Asian, American and Pacific Island mid-career newspaper and broadcast journalists to study at the Center and undertake field reporting assignments in Asia-Pacific and on the U.S. mainland.

The Chairman of the Board of Governors of the East-West Center is George Chaplin, former Editor in Chief of the Honolulu Advertiser. In 1986 he told a Senior Editors Seminar at the Center:

"Asia-Pacific is starting to emerge in its true potential as one of the richest, most dynamic regions on earth. Increasing numbers of far­sighted people see it playing the same central role in the 21st century as the Mediterranean in the Elizabethan age or the Atlantic throughout the industrial revolution. Already its tensions and opportunities are signaling a major tilt in the balance of global power."

With a smile, he added:

"As the East-West Center completes its 25th year of research and programs, one can only marvel at the development of Asia-Pacific during the same period. I'm not suggesting cause and effect — unless you insist on arriving at that conclusion."