



Observer

As his tenure begins, President George W. Bush should learn from the mistakes of the previous administration and a good place to start is Asia, recommends journalist Tom Plate.

"Always remember that if you ask the wrong set of questions, you're virtually certain to get the wrong set of answers,"

Plate advised, in a keynote speech delivered at the Asia Pacific Executive Forum sponsored by the

Asian Options and the New U.S. Administration

East-West Center in Honolulu in January.

"The most important question about China is not so much the possibility of aggression from military buildup but the possibility of implosion from festering internal problems," he said. "The most important question about Japan is not whether it should expand its military role in Asia to increase security but how it can expand its economy to enhance Asian economic stability, not to mention its own.

"Remember: In the last few years, the most traumatic event for Asia was not the North Korean missile test, as much as it scared the Japanese especially, but the Asian financial crisis, which shook everyone in the region to their roots."

Plate, a former editorial page editor of *The Los Angeles Times*, is an internationally syndicated columnist who focuses on America's relationship with the Asia Pacific region. His columns appear in *The Straits Times* of Singapore, *Korea Herald*, *South China Morning Post* in Hong Kong, and *Seattle Times*. He has a joint appointment in the School of Public Policy and College of Letters and Science at the University of California at Los Angeles.

In his speech, he offered the following recommendations to the Bush administration:

- Don't waste the first year or so knocking China, as Clinton did. "Don't reinvent the human-rights wheel because it isn't going to get you rolling anywhere," he said.

That approach will only waste time and taxpayer money, irritate the Chinese, depress the rest of Asia, and embarrass U.S. allies, he said. It is better to press American ethical concerns in a way that doesn't look like grandstanding to the Chinese.

"China will open up gradually when it is ready, in its own way, unless there is a revolution, which you probably don't want."



Columnist Tom Plate being interviewed live before giving his keynote address at the Asia Pacific Executive Forum.

- Don't let all your top people travel to Europe before anyone has gone to Asia. While Clinton's first secretary of state, Warren Christopher, indicated to Plate that he would balance the time he spent in Europe and the Middle East with attention to Asia, the reality was that Christopher focused on the Middle East, the journalist said.

- Don't think a sensible U.S.-Asia foreign policy can be achieved without simultaneously honoring the historic roles of both China and Japan.

While Clinton's diplomacy was at times too brusque toward the Japanese, the way to redress that problem is not to be brusque toward the Chinese, Plate said. "It's rather to construct a subtle diplomacy of respect for both great Asian powers, to articulate, in a clear, consistent but low-key way our basic regional interests in Asia, and to work as closely as possible with both major powers to maintain stability and prosperity."

- An increase in military arms and troops sometimes can result in less rather than more security.

Plate noted that Colin Powell, a former chairman of the Joint Chiefs of Staff, is Secretary of State and James Kelly, a former Navy captain, will be Assistant Secretary of State for Asia. "This tough team undoubtedly will pack some kind of firepower, but

continued on page 2

Inside:

Asia's Aging Population Tied to Slower Economic Growth
Page 2

Asia Pacific: Struggling with Globalization
Page 3

Reforms in Philippines Unlikely
Page 5

Pacific Island Leaders Gather in Hawaii
Page 7

Asian Options and the New U.S. Administration

continued from page 1

one hopes that it won't become punch drunk with the idea of military power itself. Perhaps that won't happen with sensible people like Colin Powell and Jim Kelly in key positions. But it's often forgotten, especially by civilians, that rising levels of arms can trigger hostile buildups that render everyone less well off than before."

The best example of this would be an American-led defensive missile system that would cost a lot of money and not raise anyone's level of security, Plate argued. "It might even lower it as powers like China counter by raising the bid with a new offensive missile buildup. An irony of military emphasis is that it can be more a sign of weakness — for example, of a pushy, preachy diplomacy — than true strength — a quiet, self-confident diplomacy."

■ More important than keeping the U.S. military mighty is keeping the U.S. dollar mighty.

National security involves more than simply who can field the largest and best armed forces and the biggest missiles, Plate said.

"The most important foreign policy response to North Korea is not to gin up a new defensive missile program by the year 2005 — probably won't work, certainly will cost too much," he said, "but aggressively to help create conditions on the peninsula that diminish the paranoid isolation of the Democratic People's Republic of North Korea and its psychotic level of armaments."

Plate concluded with a brief discussion of three Asian political leaders, China's Deng Xiao-ping, Singapore's Lee Kuan Yew and South Korea's Kim Dae Jung and tied this to implications for U.S. foreign policy.

In his discussion of Deng's legacy, he suggested, "The more we relate to China in a manner that appeals to their economic and security interests, the less motivated they will be to magnify other differences with the West out of proportion."

The implication from the successes of Lee are "don't make — it's the American way or it's the highway — the abrasive tone" of U.S. foreign policy.

Finally, Plate said, "Bush's foreign policy will have no moral weight if it does not offer an architecture for peace. Peace is the necessary condition of prosperity which is the necessary condition of security. The peace/prosperity/security formula can only be achieved through an enlightened diplomacy. No one in recent times in Asia has set a better example of that than Kim Dae Jung.

"The new administration owes this great man the benefit of the doubt and, therefore, of its support as he seeks to cap his five-year term with a legendary legacy of enduring peace and prosperity on the peninsula."

(The Asia Pacific Executive Forum was sponsored by the East-West Center in partnership with Frost & Sullivan.)

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Aging Population Tied to Shrinking Work Force, Slower Economic Growth

Asia's rapidly aging population will ultimately mean slower economic growth in the region, warns Andrew Mason, senior fellow at the East-West Center and a specialist on population change and economic development. Already the region's governments are grappling with policies directed at the needs of the elderly, including pension issues and health care reform.

"With rapid growth in the number of elderly the prospect of a growing and impoverished class of seniors looms large," Mason says.

He presented his analysis, based on on-going EWC studies of the region, at recent Center briefings and conferences. Declining birth rates and longer life expectancies in Japan are already leading to a decline in the working-age population and an erosion in the tax base. South Korea, China, and other Asian countries will soon begin to experience similar trends.

An aging population brings with it a host of challenges, including labor shortages, lower rates of saving and investment, and substantially higher tax

rates. In addition, foreign investment will flow to countries with more abundant work forces, Mason predicts.

At the same time, there will be increasing pressure on Asian governments to devise programs to meet the needs of its older population. This was a problem in the United States in the 1970s, when the elderly had higher rates of poverty and lower consumption than children and working-age adults. Increases in Social Security benefits eliminated these disparities.

"But the problem everybody worries about," Mason says, "is that many programs for the elderly undermine economic growth. Pension programs often encourage early retirement, accelerating the decline in the work force. Some pension programs also undermine saving incentives, reducing investment available for new industries and technology." Slower growth will limit the capacity of governments to meet the needs of a growing aging population.

continued on page 5

Asia Pacific: Struggling with the Pressures of Globalization

A new administration in Washington takes office at a time when the Asia Pacific region is struggling with an epidemic of serious domestic difficulties, observes East-West Center President Charles E. Morrison. These difficulties extend across what Australians have called an “arc of crisis” from Indonesia to Fiji and include Northeast Asia, Taiwan, Thailand, and the Philippines.

Morrison presented a regional snapshot of domestic and international relations and economic affairs at the Asia Pacific Executive Forum in January. He noted that he could not remember a time, in 35 years following events in Asia, when so many leaders were wrestling with internal challenges so widely

spread around the region.

This political weakness, he suggested, is due to a combination of political

systems not fully consolidated and pressures associated with globalization. “Globalization in its broadest sense involves values, economic pressure, people movements, a lot of things that affect society and create very difficult political challenges that would be difficult for any government,” Morrison said.

These pressures also occurred in the United States, but because America is in the forefront of globalization, the challenges happened over a longer period of time, he said. “Many Asian countries are dealing with globalization challenges that suddenly confront them in a very quick and significant way.”

In countries like China, Japan, South Korea, and even Thailand, that are historically long-established and have a good deal of homogeneity, a sense of nationhood provides a certain amount of strength. But in countries where political systems are quite new, they’re not that legitimate, he said. In South Asia, Southeast Asia, and Pacific Islands states, countries have been put together generally during a colonial era.

“Often in the early independence period, they inherited political systems from the colonial powers,” Morrison said. “These frequently involved a small political elite. They didn’t have strong roots within the society and many of those systems disappeared fairly quickly.”

But throughout the region, political systems are becoming more open, accountable, and adjusting to pressures of globalization, he added. “New values are coming in that mean often much more to the elite in the capital cities than in the countryside, and it’s not going to be a smooth and easy process. This is the changing dynamic that Washington has to take into account.”



Charles Morrison presented a regional snapshot of domestic and international relations and economic affairs at the Asia Pacific Executive Forum.

Internationally, the new administration will have to resolve the issue of arms sales to Taiwan. “It will be a significant test of how they manage that very complicated relationship between Taiwan and China,” Morrison said.

Economically, he anticipates the Bush administration will push for free trade and de-escalate some of the labor and environmental concerns that have been connected to trade in recent years. This will probably be welcomed in much of the region, he said.

Following Morrison’s presentation, Vinod Aggarwal addressed “Shifting Trading Arrangements in Asia Pacific.” Aggarwal is director and professor at the Berkeley APEC Study Center, University of California at Berkeley, and managing director of the Nonmarket Strategy Group for Frost & Sullivan.

He discussed trends with respect to trading arrangements in the region and possible scenarios and strategic relationships for the near future. Bilateralism will undermine both the effort to have regionalism as well as trans-regionalism, he argued.

“What we’re going to get is a large number of bilateral agreements that lead to trade diversions, undermine the core of the international trade system,” he warned. “I think it will undermine APEC. It will undermine the existing regions like ASEAN.”

“This is what it looked like in the 1930s. The Germans going out and making bilateral agreements and everybody else making bilateral agreements. It was not a happy world where they all got together to use bilateralism as a building block for regionalism or trans-regionalism.”

News in Brief



Jeannette "Benji" Bennington

Alumni Honor EWC Curator

Jeannette "Benji" Bennington is the recipient of the Distinguished Service Award of the Hawaii chapter of the East-West Center Association (EWCA), the EWC alumni organization. The award is based on outstanding service to the Center, the EWCA, and the Hawaii community.

Bennington, who joined the Center in 1962, is currently curator of the EWC Exhibition Series. She has designed and implemented more than 175 exhibitions and related activities involving more than 750,000 participants, in venues from Honolulu to Chicago, Bali to Australia, and Papua New Guinea.

East-West Wire Debuts

In January, the East-West Center introduced the East-West Wire to provide journalists with digests of news-worthy conferences and seminar presentations and analysis of current issues via e-mail.

Susan Kreifels, special assistant to President Charles E. Morrison, developed and coordinates the wire. Media requests for further information and interviews can also be made through the wire.

For more information about the East-West Wire, contact her at kreifels@EastWestCenter.org or (808)944-7176.

Supporting the Center

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of Education

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Institute

\$71,071

Korea Foundation

External Affairs

\$38,740

EWC Foundation/
The Hawaii
Pacific Rim Society

Federated States of Micronesia President, Leo A. Falcam, accepts Japan's contribution from Minoru Shibuya, consul general of Japan in Hawaii, while George Ariyoshi, chairman of the EWC Board of Governors, looks on.

Japan Gives EWC \$357,000 for PIDP

The East-West Center received a \$357,000 contribution from the government of Japan in its continuing support of the Center's Pacific Islands Development Program.

Minoru Shibuya, consul general of Japan in Hawaii, presented the contribution at an evening reception for participants of the Pacific Islands Conference of Leaders on January 31. The reception was sponsored by the Bank of Hawaii.

"The government of Japan has always supported the East-West Center and the PIDP activities for their worthwhile causes," Shibuya said. "This contribution expresses the strong commitment of the Japanese Government to the sustainable development of the countries and the improvement of the people's well-being in the Pacific region."

Since 1978, Japan has provided \$3.9 million to the Center, primarily to assist PIDP in meeting research and training needs of the peoples of the Pacific Islands region.



Former EWC President Michel Oksenberg Dies



Michel Oksenberg

Michel Oksenberg, former president of the East-West Center, died of cancer in California on February 22. He served as EWC president from 1992-95, and had been a senior fellow at the Asia/Pacific Research Center at Stanford University, where he also was a professor of political science.

"I was deeply saddened to learn of Mike's passing," said Charles E. Morrison, EWC president. "He was a tremendous asset in U.S.-Asia Pacific relations. As a brilliant scholar and committed teacher, he trained an entire generation of younger China scholars. He was a powerful force in intellectual and policy issues in shaping thinking about the implications of China's role in the international system."

Oksenberg, who was the author of numerous publications, was a specialist on contemporary China, Asia-Pacific affairs, American foreign policy in the region, and Sino-American relations.

Asian Diplomats on Stability in Philippines, Economy

Rolando S. Gregoria, Philippine consul general in Hawaii, predicted his country "was not over the hump" after the ousting of President Joseph Estrada, but said the Filipino people "by and large support" President Gloria Macapagal Arroyo.

Gregoria made those comments at a January luncheon program in Hawaii, less than a week after Arroyo was sworn into office. He and consuls general from Japan, South Korea, and Australia spoke at the event, hosted by the East-West Center, Friends of the East-West Center, Pacific and Asian Affairs Council, and Consular Corps of Hawaii.

Other diplomats forecast increases in tourism from their countries. However, Japanese Consul General Minoru Shibuya warned a slowdown in the U.S. economy would affect the economic climate in Asia.

Gabriel Oh, vice consul general for South Korea, said there is concern in his country about a second economic crisis fueled by high oil prices, a slowing U.S. economy, a slowdown in the semiconductor industry, and drops in the Korean stock market and currency.

In his remarks, Peter Woolcott, consul general for Australia, said his main job is representing his country's interests with the Commander in Chief of the Pacific. "We have to get CINCPAC on our side" before Australia approaches Washington on issues, he said.

While “people power” in the Philippines forced a change in leadership, specialists at the East-West Center do not expect President Gloria Macapagal Arroyo to press for social reforms badly needed in the country.

“There is little evidence to suggest that the new president will be empathetic toward the poor majority in the Philippines,” says Gerard Finin, an EWC senior fellow. “As a result, the illusion of mass Filipino

‘people power’ bringing social change will instead maintain the system that

Philippines: Wide-Ranging Reforms Are Unlikely

has for generations produced great wealth for a few but abject poverty and inequality for many.”

During the administration of Joseph Estrada, the economy took a nose-dive, investor confidence was severely shaken, and poverty and other social indicators declined to low levels. As a result, Arroyo, who was sworn into office in January after Estrada was ousted, faces tough social, economic, and political challenges.

Reinvigorating an anemic economy is an immediate challenge, Finin says. “A second major challenge involves re-establishing the supremacy of civilian rule in light of the role that the military and national police played in Estrada’s ouster,” he adds. “Similarly, a greater degree of separation between church and state is important, even though the church played a constructive role in the transition from Estrada to Arroyo.”

A daughter of a former president, Arroyo comes from the elite that has dominated politics in the

Philippines since its independence. An economist, she received her Ph.D. in economics from Georgetown University. EWC Senior Fellow Peter Xenos served on her thesis committee at the University of the Philippines where she earned her master’s degree in economics.

“She came into politics from academics,” Xenos says. “So, she lacks some of the networks and cronies with whom to work.” But the new president is perceived as competent, politically moderate, and has not been associated with the corruption that was the undoing of Estrada, he says.

Xenos also notes Arroyo is remarkably popular with the general public, having led the roster of senatorial candidates, who are elected nationally, in the previous election.

However, he agrees that the chances for wide-ranging changes are minimal. “Any reform-minded president will have to deal with the fact that the Philippine political and economic elites are not really in favor of reforms,” he says. “They have too much at stake.”

Despite the political upheaval, the East-West Center continues to work in substantial ways in the Philippines, Xenos says, including with environmental agencies, with agencies doing population and other social policies and economic planning.

Both Xenos and Finin recommend the United States continue to be supportive of democratic processes in the Philippines but avoid direct or high-profile involvement in what are essentially internal political issues. “It is much healthier for U.S.-Philippine bilateral relations if the United States remains in the background,” Finin says.

Aging Population Tied to Shrinking Work Force

continued from page 2

Already traditional family support systems, much more important in Asia than in the West, are beginning to erode. In Japan and South Korea, half of the elderly live with their children compared to 80 percent a few decades ago, Mason says.

Asia has enjoyed one important advantage in facing the challenge of aging: high rates of saving. In the United States, most elderly have little or no savings on which to depend. Asians appeared to be much better prepared than their American counterparts until the region’s recent economic troubles began. “The recent financial crisis has destroyed the financial resources of many,” he says.

As a result, many Asian governments are considering proposals to expand public pension programs. Some are based on pay-as-you-go principles, like the Social Security system in the United States. Other countries are considering compulsory savings programs similar to those in Singapore and Malaysia.

However, Mason cites merits and problems in the Singapore approach, in which the government has

mandated that workers save as much as 40 percent of their wages. It facilitates a high rate of saving and investment and provides for old age of long-term participants in the program. But the problem, he notes, is that during start-up such programs do nothing to improve living standards among those who are near the end of their working years or already retired.

He also cautions that public pension policies can be successful only if governments are sufficiently efficient and recognize long-term commitments. Reliable retirement programs require complex administration, dependable financial systems, adequate government regulations, and low levels of corruption.

Some of the more advanced countries in Asia have public and financial institutions that can cope with the major challenges that will accompany a rapidly aging population. “But other Asian countries are experiencing population aging at a much lower level of development,” Mason says. “It is uncertain that countries like Indonesia will have the political and financial institutions in place to handle retirement programs.”

Publications in Review

The Publications Office now sends e-mail announcements of new publications to interested readers. If you would like to receive such announcements, please send a message to ewcbooks@EastWestCenter.org with the word "subscribe" in the Subject field. Please include your name, title, organization name, and e-mail address.

International Production Networks in Asia: Rivalry or Riches? edited by Michael Borrus, Dieter Ernst, and Stephan Haggard. *Routledge Advances in Asia-Pacific Business*, 2000. London: Routledge. xx, 267 pp.

The economic crisis of 1997 called East Asia's economic miracle into question and generated widespread criticism of the region's developmental models. However, the crisis did little to alter the growing economic integration of the region, which is being forged through American, Japanese and Chinese firms.

They have created cross-border production networks — led by multinational corporations that span the entire value-chain in a number of industries. This book addresses the changing nature of high-tech industries in Asia, particularly in the electronics sector, where these networks are increasingly designed to foster and to exploit the region's highly heterogeneous technology, skills, and know-how.

Cloth, \$90.00. Distributed by Routledge, (800)634-7064 / fax (800)248-4724.

Sharing the Wealth: Demographic Change and Economic Transfers Between Generations, edited by Andrew Mason and Georges Tapinos. *International Studies in Demography*, 2000. New York: Oxford University Press. xvi, 408 pp.

This book is a collection of papers by leading scholars whose research concerns economic transfers between generations. The issues addressed have great relevance to demographic issues, particularly the determination of fertility; to economic issues, including equity and growth; and to public policy, especially

social security reform. It focuses on intergenerational features — the influence on demographic behavior, the distribution of income, and the accumulation of wealth. Studies consider the role of the state as a provider of economic security for the elderly, drawing on international experience to discuss many of the issues that must be confronted if efforts to reform public pension programs are to be successful.

Cloth, \$85.00. Distributed by Oxford University Press, (800)455-9714 / fax (919)677-1303.

How Blaming 'Slash and Burn' Farmers Is Deforesting Mainland Southeast Asia, by Jefferson M. Fox. *Asia-Pacific Issues*, No. 47. December 2000. 8 pp.

For decades, international lenders, agencies, and foundations as well as national and local governments have spent millions of dollars trying to "modernize" the traditional practices of farmers in many mountainous areas of Southeast Asia. But a new look at how forests fare under shifting cultivation (known pejoratively as "slash and burn") clearly demonstrates that efforts to eliminate the ancient practice have actually contributed to deforestation, loss of

biodiversity, and reduction in carbon storage. In fact, shifting cultivation may be ecologically appropriate, culturally suitable, and under certain circumstances the best means for preserving biodiversity in the region. The real threat to these tropical forests is posed by the steady advance of large-scale permanent and commercial agriculture.

Printed hard copy available for \$2.50 plus shipping/handling from the East-West Center, ewcbooks@EastWestCenter.org. Free downloadable pdf file located at <http://www.EastWestCenter.org/stored/pdfs/api047.pdf>.

The Two Koreas: Prospects for Economic Cooperation and Integration, by Marcus Noland. *East-West Center Special Reports*, No. 7. December 2000. 32 pp.

The two Koreas have embarked on a process of national reconciliation, but the starting points are not auspicious. South Korea is still grappling with the aftershocks of the 1997-98 financial crisis, while North Korea's economy has experienced a decade of decline. Both governments are officially aiming for a

"one nation, two systems" outcome, but the North could collapse before this is completed (or one side or the other could attempt a forcible unification). Central to the prospects for peaceful coexistence are three questions: Is North Korea willing to change, is it capable of successfully managing change, and to what purpose would it apply the fruits of change?

Paper, \$7.00 plus shipping/handling from the East-West Center, ewcbooks@EastWestCenter.org.

New Survey Measures Fertility and Family Planning Trends in India, by Sidney B. Westley and Robert D. Retherford. *Asia-Pacific Population & Policy* No. 55, October 2000. Honolulu: East-West Center. 4 pp.

According to the second National Family Health Survey in India, the total fertility rate in 1998-99 was 2.9 children per woman. Fertility levels vary widely among India's regions and states. Nearly one-half of currently married women are using some contraceptive

method. Female sterilization is by far the most popular method, used by 34 percent of all currently married women age 15-49. The use of spacing methods (pills, IUDs, condoms) remains extremely low.

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Note: These books are also available to walk-in customers at the EWC Publications Office.

Presidents, prime ministers, governors and officials of 14 nations and territories in the Pacific Islands region gathered for the 6th annual Pacific Islands Conference of Leaders at the East-West Center, January 30-31.

The event marked the 20th anniversary of the Conference, its Standing Committee, and the Pacific Islands Development Program (PIDP) based at the East-West Center. Ratu Sir Kamisese Mara, former prime minister of Fiji and member of the EWC's International Board of Governors, convened the conference, which is held every three years.

The theme adopted was "Pacific Peoples Futures: In an Era of Globalization, How Do We Care For and Share With Others?" Pacific leaders discussed issues pertaining to governance and globalization in the region, tensions between global and local cultural values, the effect of globalization on island economies,

security and strategic challenges, opportunities for telecommunications, and the consequences of climate change.

During the first session, Kessai H. Note, president of the Republic of the Marshall Islands,

suggested the Pacific Islands work as a unit, not as individual countries, to cope with globalization impacts — noting that both unity and diversity are key Pacific Islands strengths. He said the EWC and PIDP could work with the Pacific leaders to help provide some policy guidance.

Prime Minister Terepai Maoate of the Cook Islands addressed the session on Pacific Islands economies and managing the requirements of international financial organizations. International organizations need to help poorer countries by being more flexible and "user-friendly," he said and questioned whether the Pacific Islands are any better off because of their own regional organizations. He advocated studying whether these regional institutions need to be streamlined, restructured or abolished, and new ones created.

Pacific Islands Leaders on Globalization, Regional Cooperation



Ratu Sir Kamisese Mara (right), member of the EWC Board of Governors and conference convenor, confers with Sitiveni Halapua, director of EWC's Pacific Islands Development Program.

Admiral Dennis C. Blair, Commander in Chief of the Pacific, spoke of "U.S. Interests in the Pacific." The U.S. considers international criminal activity and ethnic violence as threats to security in the region, Blair said. He emphasized that regional cooperation in intelligence and law enforcement and other Pacific Islands efforts to address these areas of concern are the way to curtail these threats to regional security.

At the conclusion of the conference, Leo A. Falcam, president of the Federated States of Micronesia, was elected to lead the organization's Standing Committee for the next three years. President Falcam is a 1961 East-West Center Alumnus. Prince 'Ulukalala Lavaka Ata, prime minister of Tonga, was elected vice-chairman.

Leaders from Pacific Islands countries and territories who participated were from American Samoa, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, New Caledonia, Niue, Papua New Guinea, Solomon Islands, Tonga, and Tuvalu. Also attending was Benjamin Cayetano, governor of Hawaii.

The EWC Pacific Islands Development Program was established at the first Pacific Islands Conference of Leaders, held at the EWC in 1980. The PIDP serves as the secretariat and research arm of the Conference and its Standing Committee. Sitiveni Halapua of Tonga is PIDP director.

EWC President Charles Morrison (left) talks with Governor Tauese P.F. Sunia of American Samoa. Seated next to him are Prime Minister Terepai Maoate of the Cook Islands and Leo A. Falcam, President of the Federated States of Micronesia.



Notes and Quotes

From
"Protecting
Japan's Right to
Freedom of Navigation"
By Mark Valencia,
EWC Senior Fellow
in The Japan Times
December 28, 2000

A broad strategy developed at Japan's National Institute for Defense Studies envisages a Japan-led international Ocean Peacekeeping Force, which would be primarily concerned with activities that are necessary to fulfill obligations under the 1982 U.N. Convention on the Law of the Sea to maintain maritime order and prevent armed conflict at sea.

The force would conduct joint monitoring activities to protect the environment and resources in waters beyond state control, as well as combat illegal activities that span international maritime boundaries,

including illegal fishing, illegal entry and piracy. It would have both benign military duties, such as search and rescue, and constabulary functions. There have been many examples of bilateral cooperation of this type but none on a multilateral basis.

This long-term vision has the peace-keeping force providing a framework for security cooperation between Japan, the U.S., China and Russia. Such an approach could help curb the pirate scourge in the region, and in the longer run greatly enhance both safety and the freedom of navigation regime in the South China Sea.

From
"Report Sees
Conflict Risk in Asia"
By Jason Sherman
in Defense News
January 8, 2001

WASHINGTON — "Global Trends 2015" is the result of analysis culled from U.S. experts in the national intelligence community as well as from academia and industry. The report examined how factors such as demographic shifts, availability of natural resources and advancement and proliferation of technology will influence the world and prospects for war and international cooperation....

Despite these dynamics, Muthiah Alagappa, a

senior fellow at the East-West Center in Honolulu, and author of the book "Asia Security Practice," said the prospects of war in the region are low.

"There has been a perception in Europe and the United States that Asia is going to be conflict-torn in the future," Alagappa told Defense News (on) Dec. 4.

"Yes, there is potential for conflict, but the political motives that lead to war are not strong enough. So I do not see the potential for all out war in Asia," he said.

From
"Filipino History
Repeats Itself — Quicker"
By Ilene R. Prusher
in the
Christian Science Monitor
January 22, 2001

If the speed of that downward spiral were not dizzying enough, judicial, military, and religious leaders announced that they would swear in (Gloria Macapagal) Arroyo by noon Saturday — even before (Philippine President) Estrada had agreed to leave office. Indeed, he still has not formally resigned and never used the word "resign" when he announced Saturday that he would leave the palace. That has left some here questioning the very constitutionality of the succession, widely touted as a shining example of democracy in action.

"It's an extraordinarily good thing that Filipinos have brought about this transition without bloodshed, but there's also the breakdown of the process of impeachment itself, and that doesn't bode well for democracy," says Gerard A. Finin, a Southeast Asia expert at the East-West Center in Hawaii. "It reeks of a politicized military," adds Mr. Finin. "There is some need to have some separation between church and state, and between military and state, and that's one big blur at this point."

From
"New Challenges
Await Pacific Region"
By Ratu Sir Kamisese
K.T. Mara
in
The Honolulu Advertiser
January 28, 2001

Looking ahead, we should also increase cooperation with the Association of Southeast Asian Nations. At the same time, it is important to maintain and strengthen cooperation with the United States. All of this can contribute to a stronger and more vibrant Asia Pacific community.

We have confidence that there is no better institution for strengthening these linkages, with a time-tested record of accomplishment, than the East-West Center's Pacific Islands Development Program.

This certainly was borne out when then-U.S. President George Bush requested in 1990 that a summit meeting convene at the East-West Center with the leaders of Pacific island nations.

President Bush was not only empathetic to our particular issues and concerns but also prepared to commit the United States to longer-term action. As a result of the summit, the U.S.-Pacific Island National Joint Commercial Commission was established, with PIDP housing its secretariat.



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New Member of the EWC Foundation Board of Directors

Newly appointed to the EWC Foundation Board was Joichi Saito, chairman of the board and chief executive officer, Central Pacific Bank.

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East-West Center Arts Program

The Hawaii Pacific Rim Society has continued its generous support of the East-West Center Arts Program through its funding of the following three projects in 2001: *Carved Puppets of Asia* exhibition from January 23 to March 23; *Bamboo in Japanese Culture: Traditional, Ritual, Practical* exhibition from April 8 to 11; *Silk & Bamboo: the Sounds of Bamboo*

Grass in Hawaii performance and demonstrations from April 8 to 11; and the Pacific Islands Arts Initiative which includes the *Vanuatu: A Melanesian Society in Transition* exhibition from July 5 to September 21 and 'Atenisi Performing Arts Ensemble from Tonga from June to July.

William Feltz and Benji Bennington of the EWC Arts Program; Hideo Murakami, Hawaii Pacific Rim Society; and Dr. Michael Schuster, co-curator of the Carved Puppets of Asia exhibition.



How the 2001 Tax Changes Will Affect You

Please join us for a seminar by Stephen H. Reese, Esq., estate planning attorney, on Tuesday, March 20, to assist you in understanding how President Bush's proposed tax changes will affect the average family in Hawaii. A complimentary lunch and parking will be provided. There is no charge or obligation for this seminar.

Date: Tuesday, March 20, 2001

Time: 11:30 a.m. Lunch 12:00 noon Seminar

Place: East-West Center
Hawaii Imin International Conference Center
Kaniela Room
1777 East-West Road

RSVP: Gary Yoshida at 944-7196
By Friday, March 16
(please indicate whether you will need parking)

On behalf of the East-West Center, we would like to thank those individuals, corporations, businesses, foundations, and organizations who have generously contributed to the East-West Center Foundation. Listed below are gifts received between November 1, 2000 and January 31, 2001.

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EWC Foundation Programs

AsiaPacific Breakfast Briefing

President Charles Morrison spoke on "Prospects for Asia Pacific in 2001" on January 16, 2001 at the Bank of Hawaii Executive Dining Room.

Asia Pacific Outlook 2001 Speaker Series

Eileen Shea, EWC climate project coordinator, spoke on "Consequences of Climate Change: Challenges and Opportunities for the Pacific Islands and Hawaii" on December 14, 2000 at the Outrigger Wailea Resort.

Richard Baker, EWC former director of studies, spoke on "Foreign Policy Challenges for the New Administration" on November 28, 2000 at the Mauna Lani Bay Hotel and Bungalows.

The neighbor island speaker series is made possible by the support of Hawaiian Airlines, Mauna Lani Bay Hotel and Bungalows and Outrigger Wailea Resort.

Jhamandas Watumull U.S.-India Fellowship Program

With the support of the Jhamandas Watumull Fund, the East-West Center will continue two visiting fellowships with the purpose of promoting cooperation between India and the United States. In addition to preparing their research papers and making presentations to business and research communities in Honolulu, the scholars will also travel to the U.S. mainland and to New Delhi to present their research findings. The first recipients were Pradeep Agrawal and Sanjaya Baru. This year's focus will be on technology cooperation. Gulab Watumull, a member of the EWC Foundation Board of Directors, is president of the J. Watumull Fund.

Diplomat

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