

Observer

The war against terrorism widened the basis for cooperation between the United States and its traditional allies, created new possibilities for cooperative relationships between the U.S. and Russia, China and Pakistan, and calls for new approaches to diplomacy in Asia and the world, advises Thomas Hubbard, U.S. ambassador to South Korea.

“There is a need for a broader U.S. approach to the world that contains the terrorist issue while recognizing there still are a lot of other problems that have to be dealt

with and concerns that we have to listen to,” he said. “The world is looking to the U.S. for a leadership vision but they’re not looking for a cookie-cutter approach.

“America has a great opportunity now to lead the world. We have a greater basis for cooperation than perhaps anytime I can remember. We still have a great big stick and I think it’s important that we also spend more time listening to other people and perhaps from time to time speak more softly.”

Hubbard, who previously served as U.S. ambassador to the Philippines, was among 25 senior U.S. and Asia Pacific policymakers, diplomats and academics who attended the East-West Center’s annual Senior Policy Seminar in Honolulu in August. He shared his perspectives on regional political and strategic dynamics at a public program that included Alok Prasad, deputy chief of mission at India’s Embassy in Washington D.C.; Wiryono

Sastrohandoyo, senior fellow at the Center for Strategic and International Studies in Jakarta; and Yue Xiaoyong, head of the political office in China’s embassy in Washington, D.C.

“Whether we Americans like it or not, 9/11 was a more seminal event for Americans than for people elsewhere in the world,” Hubbard said. “It evoked a lot of sympathy and moral support from countries, but they don’t see this event as the be all and end all” of world policy.

“There is a considerable resentment of our overwhelming presence, of our preponderant role in the world,” he said, “and certainly some of our rhetoric — much of it designed for domestic ears — does not always fall all that well in other countries. I believe as a diplomat that substance is crucial but rhetoric and style are also very important.”

In his comments, Wiryono, Indonesia’s chief negotiator in peace talks with the Free Aceh Movement, spoke of the need to focus on the problem of intrastate or internal conflicts “plaguing a lot of developing countries.” “The resources of the international community are being overwhelmed by these conflicts and large-scale refugee movements,” he said. “It is not fought on traditional battlegrounds but inside a society.”

Wiryono noted these conflicts are generally fought with relatively inexpensive small arms or light weapons, readily available on international markets, mostly illegal and easily mastered by untrained and unprofessional soldiers, even children. A “dark side” to globalism, he said, is the opportunity created for small arms smuggling, illicit drug trafficking and money laundering.

“The case of my country, Indonesia, is a poignant example,” he said, adding that interethnic and interreligious strife in different parts of the country makes it more difficult to pursue democratization and economic reform, and instability discourages foreign investment.

Businessmen do not care about democracy, Wiryono observed, they want “predictability. And you



Thomas Hubbard, U.S. Ambassador to Korea



Senior Policy Seminar participants James A. Kelly, U.S. Assistant Secretary of State for East Asian and Pacific Affairs; Chung In Moon, Dean, Graduate School of International Studies, Yonsei University; and Sukh Deo Muni, Professor, School of International Studies, Jawaharlal Nehru University.

Opportunities for New Approaches to U.S. Diplomacy in Asia and the World

Inside

‘New Generation’ Leaders on U.S., Iraq Tensions
Page 2

China in Transition
Page 3

U.S. Role in Global AIDS Diplomacy
Page 5

Publications in Review
Page 6

'New Generation' Leaders on Regional Issues, U.S. and Iraq Tension

Developing a moderate religious tradition toward a democratic society in Indonesia, peace education in the Indonesian province of Aceh and terrorism in India were among the topics addressed at this year's New Generation Seminar. These presentations were a prelude to a roundtable session, with lively and engaged dialogue about possible U.S. military action against Iraq.

Fourteen participants from eight countries in Asia and the United States gathered for the annual seminar that brings young leaders to the East-West Center for interaction every September. The discussion about U.S. policy toward Iraq came at the end of a week of briefings and presentations in Honolulu.

During the session, participants expressed concerns about short-term and long-term problems

that might result from the bombing of Iraq and ousting of Saddam Hussein, including the danger of "fertilizing" terrorism and alienating the Islamic world. Several participants also emphasized a need to address more fundamental problems, such as poverty, and challenges that accompany development and democracy.

"I don't approve of 9/11, at the same time I don't agree with the U.S. bombing of Afghanistan. That's not the way to solve problems," a participant from Southeast Asia said.

An American participant asked if others at the seminar understood why the U.S. government decided it was necessary to attack the Taliban in Afghanistan.

continued on page 4

The East-West Center Observer

is a quarterly newsletter published by the East-West Center, a public non-profit institution established in 1960 to foster mutual understanding and cooperation among the governments and peoples of the Asia Pacific region, including the United States.

Volume 6, Number 3 Summer 2002

Charles E. Morrison, President
Karen Knudsen, Director
Office of External Affairs

For information, contact:

The East-West Center
1601 East-West Road
Honolulu, HI 96848-1601
Telephone: 808-944-7111

Fax: 808-944-7376

E-mail:
ewcinfo@EastWestCenter.org

World Wide Web:
http://www.EastWestCenter.org

Editor: Susan Yim
Design: Kennedy & Preiss

Opportunities for New Approaches to U.S. Diplomacy

continued from page 1

will find it in China, you won't find it in Indonesia. That's why money goes to China and not Indonesia."

He referred to a "vicious cycle" confronting developing countries. "The country that is in crisis is like a sick man," he said. "Because he is sick, he does not perform enough. He doesn't perform enough, he doesn't earn enough. He doesn't earn enough, he doesn't buy medicine. He doesn't buy medicine, he gets sicker. So this is a problem that has to be reversed and it needs international cooperation.

"With that in mind, I believe that this year's EWC Senior Policy Seminar will prove to be a valuable forum," he said, "to generate further momentum to galvanize international support to help solve many of the internal conflicts in developing countries."

When it comes to international relations, Counsellor Yue said, countries desire "more dialogues, more cooperation and consultation based on common interests to solve common problems."

Relations between China and the United States, he suggested, "are deeper and wider than what we see in the media, especially the U.S. media. More important and fundamental, two of the biggest countries in the Asia Pacific area have great potential and also great responsibility to promote security, stability and prosperity in the world."

Common ground and common interests far outweigh differences, he added, and he is confident U.S.-China relations will continue to grow, although "we have to handle appropriately our differences."

Ambassador Prasad welcomed the East-West Center's plans to increase activities in South Asia. "India has always perceived of itself as part of a larger Asian identity," he said, noting its "'Look East' policy

which seeks to deepen and broaden our wide range of contacts with Southeast Asia and East Asia."

With respect to India-Pakistan tensions, the ambassador said "economic logic has not yet been able to overcome the political differences. But we hope that that, too, will be possible."

And he is optimistic about the strength of Indo-U.S. relations, which improved in the last years of the Clinton Administration and have been "stepped up" under the Bush administration. "India is very happy with the direction in which our relations are progressing. Given the nature of the two countries, I see a lot more potential for the future," he said. "The developments that have taken place in information technology are an indicator of what can happen in a whole range of other areas, like biotechnology or entertainment."



Panelists Alok Prasad, Yue Xiao Yong, Wiryono Sastrohandoyo.

Will China's emergence as a major economic and political power in Asia pose a threat to the region and the West? China specialist Christopher McNally, an East-West Center Fellow, concludes that this is not likely. "If you look at trends of international engagement for the past five or 10 years — if you look at the way Chinese diplomacy and engagement with its own region has changed — I would say that they do not confirm this," he said at an EWC AsiaPacific Breakfast Briefing sponsored by Bank of Hawaii in August. "China has become more a status quo power than it was 10 years ago."

And despite daunting internal challenges, McNally does not foresee the country suffering a "meltdown." "China has been very agile in implementing market reforms and moving ahead in a very steady and cautious pace," he said. "I am guardedly optimistic about how the Chinese government will

tackle the country's major social, political and economic challenges."

In his presentation on "China in Transition," McNally addressed the country's ongoing transition to capitalism, changes in

leadership, emergence as a major power and the implications for the United States and Asia.

Premier Zhu Rongji's "managed marketization" has been only partially successful in reforming state-owned enterprises, state financial systems and the bureaucracy, he said. As a result, the government is enforcing World Trade Organization-required reforms to push China toward global market norms and increase international competitiveness.

Within China, these reforms have raised fears about WTO entry, he noted, with apprehension about a massive entry of foreign competitors, increased competitive pressures on the already inefficient state sector, greater urban unemployment, lower agricultural prices and loss of economic sovereignty.

In reaction, there has been a turnaround in support of the private business sector by the Communist Party, with acknowledgment that discrimination of domestic private entrepreneurs is counterproductive. Current estimates of economic output by the private sector indicate it is the fastest growing sector; the authoritative International Finance Corporation projects its contribution to GDP at 50%.

However, China's economic success has been accompanied by serious social consequences, including a widening "urban-rural wealth gap." While urban

incomes have increased rapidly, rural incomes have stagnated. McNally estimates a floating rural population of 150 to 200 million people. State sector layoffs total 35 million or 40% of the state sector work force in the last five years. Regional disparities have grown between more prosperous coastal and poorer inland areas. At the same time, the government has invested massive amounts into infrastructure, increasing budget deficits.

With the 16th Party Congress of the Chinese Communist Party scheduled to meet later this fall, rumors abound about a power struggle at the top. McNally suggested "a collective leadership is likely to remain. We will not see one preeminent leader emerge in China, like Mao or even Deng Xiaoping. What we will see is a leadership composed probably of seven to 12 people, something very similar to the council of leaders of the European Union. Everyone has veto power, everyone has a say, so it takes a long time to get things done."

The most popular scenario has Vice President Hu Jintao taking over official posts, he said, "although Jiang Zemin and other elder leaders are likely to continue to call the shots."

While the future leadership of the country may be debated, McNally anticipates that China will become the "world's workshop" by 2005, with world levels of technology and product quality, low wage costs and more than one million science graduates annually. It will be inexpensive to do labor intensive production in China and also increasingly cheap to do research and development there, he said.

China is also the world's fastest growing consumer market, with the biggest market for cell phones, the second largest number of Internet users in the world and dramatic increases in car sales.

With the growing emergence of China as a major power in Asia, he noted other shifts:

- Chinese diplomacy has become more subtle and sophisticated.
- Political efforts to engage with the region have been stepped up. China has proposed a China-ASEAN Free Trade Area.
- Economic integration with neighboring countries is proceeding. Korean investment in China is booming, followed by Taiwanese and Japanese investments.
- A cooperative organization between China, Russia and Central Asian countries is proceeding, aiming to increase access to energy resources, especially natural gas, and secure borders.

"As China rises in terms of political and economic power," he said, "regional institutions and regional governments will have to adjust."

China in Transition: Implications for the United States and Asia



Christopher McNally

News in Brief

Supporting the Center

RECENT GRANTS AND CONTRACTS

Research

\$24,582

National Oceanic & Atmospheric Administration

Research/Economics

\$10,000

Norwegian Research Council

\$40,000

Sony Hawaii Company

Research/Population & Health

\$78,863

U.S. Agency for International Development/
Family Health International

\$20,124

Family Health International

Pacific Islands Development

\$212,000

U.S. Department of State

\$90,000

Trade Mission of Republic of China

Education

\$1,000,000

U.S. Department of State

\$15,000

EWC Foundation/
Gerald & Tsue Ostermann

\$1,451,000

Freeman Foundation



Governor Ariyoshi, EWC members Dan Berman and Senen Bacani, EWC Board members Lily Lee Chen and Lyn Anzai at the conference in Malaysia.

Ariyoshi Re-Elected EWC Board Chair

Former Hawaii Governor George R. Ariyoshi was elected to his fifth term as chairman of the East-West Center Board of Governors during their July meeting in Kuala Lumpur, Malaysia.

Richard Collins, president of Collins and Company in Arlington, Va., was elected vice chair.

Lyn Anzai was designated chairwoman of the Executive Committee. She is vice president, general counsel and corporate secretary of Hawaiian Airlines.

EWC Education Program Welcomes 110 Students

The Center welcomed 110 Degree Fellows, Student Affiliates and Asia Pacific Leadership Program participants in August. Their programs range from six to 48 months of study at the University of Hawaii at Manoa and Hilo campuses, and include participation in programs at the Center.

Students come from some 23 countries, including Bangladesh, Bhutan, Burma, Cambodia, China, East Timor, Federated States of Micronesia, India, Indonesia, Japan, Korea, Laos, Malaysia, Mongolia, Nepal, Pakistan, Philippines, Singapore, Thailand, Tonga, Vietnam, Western Samoa and the United States.

\$500,000 for Pacific Island Scholarships

With a 2002 grant of \$500,000, the East-West Center has received a total of \$4.4 million from the State Department's Bureau of Educational and Cultural Affairs to administer the United States-South Pacific Islands Scholarships. The competitive, merit-based program, established in 1994 at the request of the U.S. Congress, has provided a total of 41 scholarships since 1995.

Four new students joined the Center for advanced study as recipients of the scholarships. The students and their fields of study are:

- **Donald Kiriau**, Solomon Islands, B.A. in political science.
- **Monalisa Palu**, Tonga, B.A. in business administration.
- **Jude Kohlhase**, Samoa, M.A. in urban and regional planning.
- **Ashwin Raj**, Fiji, M.A. in public policy.

Congressional Study Group Meets on Asian Security

Michael Green, director for Asian Affairs on the National Security Council, and David Kang, professor of government at Dartmouth College, spoke on "North Korea: Where Do We Go From Here?" at a Congressional Study Group session on Asian Security at the U.S. Capitol in July. The EWC Washington D.C., Office sponsored the session for congressional staff members.

PIDP Projects Get Taiwan Funds

The EWC Pacific Islands Development Program (PIDP) received \$90,000 from the government of Taiwan to implement two new private sector assistance projects.

Funding will be used for two related activities: a market survey of Pacific Islanders living in the western U.S. and a workshop to discuss the results of the survey and develop strategies to take advantage of the identified market opportunities.

Both PIDP projects will be conducted under the auspices of the U.S./Pacific Island Nations Joint Commercial Commission (JCC), which promotes trade, investment and expanded commercial collaboration between the Pacific Islands and the United States.

'New Generation' Leaders

continued from page 2

Are we bystanders or participants? asked an Asian member of the seminar. That question came after comments that a U.S. attack against Iraq would have repercussions felt by many countries, including those represented at the seminar.

Before the discussion about Iraq, Craig Suro, special assistant to the governor of Virginia, was struck by the ambivalence with which the United States is viewed by his fellow participants. "We are viewed as the world's police and also as the world's bully," he said, "that image seems to run side by side." In the discussion about Iraq, he invited all his colleagues at the seminar to express their views because "everyone's opinion is important to educate myself and everyone" else.

In his comments about the seminar, Daren Shiau, a lawyer, novelist and NGO leader in Singapore, said he expected to learn about countries such as the United States, Japan and India. In addition, he said, "I've realized there's a lot about my own region that interestingly enough I'm learning about here. It definitely affects my perspective of how I see my own country in the region."

Following their week at the Center, participants traveled to New York City, where they spent several days, including the anniversary of September 11, and Washington D.C. to meet with officials in the public and private sector.

Prevention Efforts and U.S. Role in Global AIDS Diplomacy

The AIDS pandemic is rapidly accelerating in sub-Saharan Africa and extending its reach into major populated countries, including India, China and Russia, warned Dr. Jack C. Chow, the U.S. Secretary of State's special representative for the worldwide epidemic. "We could easily see 100 million people living with the virus by the end of the decade," he said at a briefing at the East-West Center in July. "In addition, we could see 25 million AIDS orphans left to fend for themselves."

A United Nations report recently cautioned that China, with 1.3 billion people, could face as many as 52 million cases, a health problem of "titanic proportions" if the country doesn't invest in prevention efforts now, Chow added.

"The campaign against the pandemic cannot be won ultimately without success in China," he said. As a result, the United States proposed senior-level talks with China on combating AIDS. The proposal has received positive initial responses from the Chinese government, Chow said, with plans to hold sessions by the end of the year.

Already in China's ministry of health, there is "growing recognition not only that prevention is a matter of public safety but national security," he said. "The challenge will be to permeate that recognition

down to provincial and rural regions as well. This is a political dynamic that we see in all countries, that it's not only mobilizing high command but getting down to the grass-roots level and overcoming deep-seated cultural views and biases."

EWC Research on HIV/AIDS

While the potential for serious HIV/AIDS epidemics remains high in the Asia Pacific region, patterns of HIV/AIDS transmission make epidemics amenable to well-designed prevention efforts.

EWC researchers in Health and Population Studies are involved in research and policy efforts on HIV/AIDS directed toward assessing the situation in the region, understanding the key determinants of HIV transmission and assisting countries in developing programs that are effective responses to the epidemic.

Ongoing efforts also focus on analyzing data from a series of youth and young adult surveys conducted by the Center in collaboration with several countries in the region.



Dr. Jack C. Chow, U.S. Secretary of State, special representative.

The United States is ready to be a partner with China in its efforts, "to help from our extensive science and technology and health backgrounds."

U.S. Secretary of State Colin Powell has made the international fight against AIDS one of his three top priorities, Chow said, in his discussion of his concept of global AIDS diplomacy.

"Just as in the Cold War days, when we assembled great alliances in competition and rivalry against nations, so global AIDS diplomacy has an opportunity to counter the virus," he said. It involves the United States working with the largest countries in the world, as well as the smallest Pacific island nations, in prevention, treatment and education efforts.

"We in the global community have to be educated and willing in our own individual way or collective way, through governments, NGOs (non-government organizations) and the private sector, to make a difference," he said. "So we see countering AIDS as a humanitarian, economic foreign policy initiative."

He pointed out that AIDS left unchecked can undermine working democracies, vibrant societies and thriving economies. Besides crippling health costs, it can wipe out a productive, working middle class and decrease population growth.

"AIDS, when left unfettered, will engender political tensions within governments," he said. "We see that clearly in South Africa where the president had a controversial point of view about the causative factors of AIDS and this prompted a challenge within his own party."

The Bush administration is investing \$1 billion in new international initiatives in this campaign, including \$500 million to a global AIDS fund and \$500 million to counter mother-child transmission in Africa and the Caribbean, Chow reported. The global AIDS fund, an independent institution in Geneva, supports grants to countries in Africa, Asia and the Caribbean for projects in prevention, treatment and care related to AIDS.

Chow's visit to Hawaii came after travel through Asia, where he met with various health officials in China, Burma and Thailand. In Burma, he reported the United States will not directly provide financial assistance to the current regime for AIDS programs, but will work through NGOs.

He praised Thailand's political leadership for recognizing the threat of AIDS early on and initiating a pervasive and successful prevention campaign. "We are looking for ways to propagate that message and adapt that to other nations," he said.

"The dimensions of this disaster is such that we have to join the world community and find creative ways of getting at the problem," he said, adding that the East-West Center is well-positioned to contribute to these efforts. Through public-private partnerships, Chow sees his role as to catalyze and spur these efforts. "It's the full-court press geographically, strategically, medically, behaviorally."

Publications in Review

***The Future of Population in Asia.* 2002. Honolulu: East-West Center. 150 pp.**

Over the past 50 years, many Asian countries have experienced a remarkable pace of economic development and social change. Economic transformation plus dramatic breakthroughs in health and family planning technology have been the fundamental forces driving a demographic transition — from high to low mortality and fertility — in nearly every country of the region. This demographic transition, in turn, has provided favorable conditions for social and economic development.

The Future of Population in Asia describes recent population trends in Asia and explores the likely course of Asian population dynamics in the future. This 150-page volume brings together research on population and health conducted in recent years by staff members at the East-West Center and their colleagues in Asia and the United States. It includes many illustrations and charts plus a useful reference list and comprehensive appendix tables.

Funded by the Bill and Melinda Gates Foundation, the report is intended for an audience of policymakers,

government leaders, the donor community, population and international development organizations, business leaders and others with an interest in Asia and in global population issues. The objective is to increase awareness of population trends in Asia and how critical these are to the economic and social well-being of the global community.

Major topics include: (1) trends in fertility, family planning and population growth; (2) the transformation of marriage and family patterns; (3) women's changing roles in the family and workplace; (4) trends in risk-taking behavior among Asia's adolescents and young adults; (5) the HIV/AIDS epidemic in Asia; (6) the economic and social consequences of population aging; (7) demographic trends and economic development; and (8) interactions between population, natural resources and the environment.

Printed hard copy available from the East-West Center Research Program, Population and Health Studies, poppubs@EastWestCenter.org, for the cost of postage and handling. Free downloadable PDF file located at <http://www2.ewc.hawaii.edu/pop/pop59000.htm>.

***Managing Asia Pacific's Energy Dependence on the Middle East: Is There a Role for Central Asia?* by Kang Wu and Fereidun Fesharaki. *AsiaPacific Issues*, No. 60, June 2002. Honolulu: East-West Center. 8 pp.**

The Middle East is Asia Pacific's largest energy supplier, satisfying a demand for oil that must keep pace with the region's continued economic growth. This dependence on the Middle East has caused Asia Pacific to join the United States and other Western nations in the hunt for alternative suppliers. Central Asia, located between the Middle East and Asia Pacific and already an oil and gas exporter, is an attractive possibility.

With energy production projected to rise rapidly over the next decade, Central Asia is poised to become

a major player in the world energy market. But the land-locked region's options for transporting oil and gas to Asia Pacific markets are limited and problematic. Passage via pipeline east through China presents construction challenges; south through Iran, or through India and Pakistan via Afghanistan, is fraught with political difficulties. Not until geopolitics become more favorable to the south-bound options, or technologies make the China route possible, will Asia Pacific be able to tap the energy resources of Central Asia.

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/api060.pdf>.

***Seeking Justice on the Cheap: Is the East Timor Tribunal Really a Model for the Future?* by David Cohen. *AsiaPacific Issues*, No. 61, August 2002. Honolulu: East-West Center. 8 pp.**

Over the past eight years the UN Security Council has paid some \$1.6 billion to operate International Criminal Tribunals in Yugoslavia and Rwanda. Successfully pressured to establish a tribunal in East Timor, the Council sought to cut its costs by creating a new form of tribunal — a “hybrid” tribunal with both international and domestic judges and partially funded and staffed by the national government.

Today, though the hybrid tribunal is lauded by the UN as a model, the East Timor tribunal is anything but. Of its meager \$6.3 million budget for 2002, \$6 million went to the prosecution, which

nevertheless has failed to take any high-level perpetrators into custody. The balance was almost all for international judges' salaries, who sorely lack adequate administrative and clerical support. Though some steps have now been taken to improve the training of defense counsel, the Public Defender's unit is so under-funded and inexperienced that it did not call a single witness in any of its first 14 trials. Whether a minimally credible tribunal is better than none at all is the real issue the UN has not openly addressed.

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/api061.pdf>.



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.

To order East-West Center publications, contact the East-West Center Publication Sales Office, 1601 East-West Road, Honolulu, HI 96848-1601.

Phone: (808)944-7145.

Fax (808)944-7376.

E-mail: ewcbooks@EastWestCenter.org

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

Griffiths: Words of Caution for the U.S.

Sir Eldon Griffiths, chairman of the World Affairs Councils of America, shared concerns about recent U.S. congressional legislation and its impact on American civil liberties, media coverage and unilateralism at a presentation at the East-West Center in July. The program was co-sponsored by the Pacific and Asian Affairs Council, East-West Center and the Friends of the East-West Center.

Griffiths was an editor for *Time*, *Life* and *Newsweek*, a commentator on television and radio in London, and also served as a member of Parliament and in numerous positions in the British government. Over the past four decades, he has lived in the United States for a significant number of years.

He warned that much of the legislation passed by the U.S.

Congress after September 11 was “ill-digested.” “A good deal of that would have benefited from much more careful debate,” he said, suggesting there should have been more “sunset” provisions and more provisions for accountability.

While noting a free press is the first defense of freedom, Griffiths criticized “the gentry of the press,” particularly on the most popular television programs, for failing “to recognize that there’s a difference between alerting the public to danger and alarming the public. And sometimes,” he said, “they’ve given this issue the ‘O.J. Simpson treatment.’ The media have to be very careful in a free society not to go beyond alerting the public to alarming the public. For if we do that, we do the terrorists’ dirty work for them.”

Griffiths also cautioned against excessive government spending in defense of homeland security. “You have to spend what’s needed for that,” he said. But observed this could become “a new pork barrel” and that



Sir Eldon Griffiths, Chairman, World Affairs Council of America.

it isn’t realistic “to keep on pouring in the money as if it is possible to insure against everything when it is not.”

“The (U.S.) president has made this a worldwide war which we must fight to win on every front — military, economic — but in doing so we must have a care that we do not damage that which we are fighting to preserve: the freedom of America, the integrity of its financial situation and its leadership in the world,” he said. “Let us fight this battle but not in a manner that damages our civil liberties, damages the status of our currency and creates a reputation for unilateralism that is the opposite of building and leading the coalition that we require.”

Asia Pacific Leadership Program Begins 2nd Session

The Asia Pacific Leadership Program began its second session in August with 48 participants, almost twice the enrollment of the inaugural session in the spring. An innovative certificate program designed to meet new educational and human resource needs in the region at a time of increasing interdependence, it

seeks outstanding young professionals and students from the United States and Asia Pacific countries.

Participants in the second session have impressive advanced educational backgrounds and professional experience. They generally chose to do a nine-month program, although a six-month program is also available for those whose employers could not grant a longer period of leave. Three Burmese participants are in the group — the first Burmese students at the Center since 1988.

“The program’s graduates will leave the Center with a broad, regional perspective, knowledgeable about the societies and issues of the region, and trained to exercise leadership toward promoting cooperation,” said Terance Bigalke, EWC Dean of Academic Programs. “It is expected that graduates will seek or return to positions in business, government, non-governmental organizations and universities.”

The program was established through generous funding support from the Freeman Foundation.

Asia Pacific Leadership participants.



Notes and Quotes

From
**"A Chance to
 Avert War Over Kashmir"**
 By Arun R. Swamy,
 EWC Fellow
 in *International Herald
 Tribune*
 June 8, 2002

Recent proposals to allow neutral monitoring of the Line of Control, the de facto border separating Indian and Pakistani portions of Kashmir, are the first real hope of avoiding a war between South Asia's nuclear powers.

While each side has rejected some version of the plan, it remains the most likely mechanism to prevent

an escalation of the conflict. Senior officials of the United States visiting India and Pakistan over the next few days, including Defense Secretary Donald Rumsfeld, should push the plan as the best available means for defusing a potentially catastrophic war.

From
**"Fuel Crisis
 Looms in Asia"**
 By Kang Wu and
 Fereidun Fesharaki,
 EWC analysts
 in
The Washington Times
 July 19, 2002

With the Asia-Pacific region's oil production stagnant and demand rising, Asia's reliance on oil imports will increase in the coming decades.

The region's dependence on these imports and the dominance of the Middle East oil supply have made energy security a concern for many Asian nations. But they have been hard-pressed to find alternatives.

The prediction that all major countries in the region, including Indonesia and Malaysia, will be net oil

importers within 15 years increases the urgent need to diversify. The Asia-Pacific region is facing a precarious situation: More than 90 percent of its oil imports come from the Middle East. In contrast, only a quarter of U.S. oil imports come from the Persian Gulf.

In terms of total oil consumption, the Middle East supplies account for well over half the amount consumed in the Asia-Pacific, compared with less than 15 percent in the United States.

From
**"SEA Muslims
 A Good Role Model"**
 in
The Nation (Thailand)
 August 7, 2002

The United States should look to Southeast Asia's Muslim nations to help bring democracy and diversity to Muslim countries elsewhere in the world, former foreign minister Surin Pitsuwan said yesterday at an East-West Center forum of senior U.S. and Asian officials.

Surin, a Democrat MP (member of Parliament) and Muslim scholar, also called for more U.S. investment in "human resources," proposing a kind of Marshall Plan for Muslim nations.

Surin called Muslim nations in Southeast Asia more moderate, diverse, democratic and economically successful.

"Diversity and openness in Muslim countries is a must," said Surin, who is a specialist on Islamic philosophy and law. "Southeast Asia is ready to contribute but it will require less military force, and more goodwill, compassion and generosity."

From
**"The Education Factor
 in Globalization"**
 By Michael Sun
 in the
New Straits Times
 (Malaysia)
 August 12, 2002

Education is a key factor in taming amoral aspects of free market economic globalization which, even if unintentional, could lessen the promotion of fair play in the world.

Dr. Don Faust, professor in the Department of Mathematics and Computer Science, Northern Michigan University, said this in his recent presentation on "Towards Globalization That Promotes Equity: The Education Factor."

"...The world communities can work towards laying a foundation to deal with globalization in ways

which increase equity in the world. We can, as an educated world citizenry, produce incremental growth to greater equity," he said.

Speaking at the 2002 East-West Center/East-West Center Association international conference on the "Impact of Globalization on Building an Asia Pacific Community," held in Kuala Lumpur, he said economic globalization occurred in a free market environment of companies seeking profit.



EAST-WEST CENTER

1601 East-West Road
 Honolulu, Hawaii 96848-1601

Non-Profit Org.
 U.S. Postage **PAID**
 Honolulu, HI
 Permit No. 264

CHANGE SERVICE REQUESTED

Alumni Gift for Hale Halawai

Hale Halawai, the recently completed student activities center, provides a new gathering place for student programs, EWC activities and cultural performances. In order to create a comfortable setting, Jerry (65 ISI Master of Business Administration) and Tsue (Asami) Ostermann (65 ISI MA History) contributed \$15,000 to provide the building's furnishings including a refrigerator, tables, chairs and lounge furniture.

The Ostermanns said "the East-West Center means a great deal to us; we are happy to demonstrate our appreciation in this small way. Looking back to our student days at the East-West Center, we realize that the informal association with other students at dear old Jefferson Hall was an integral part of our EWC experience. If the new Student Activities Center could replace what was once Jefferson Hall, albeit in a smaller way, it would do much to enrich the lives of the students who are currently studying at the Center."



Jerry and Tsue Ostermann

EAST-WEST CENTER FOUNDATION 2002 BOARD OF DIRECTORS

Co-Chairs

Kenneth F. Brown
Haigo Shen

Vice Chair

Edison H. Miyawaki

Directors

Joan M. Bickson
Marivic G. Dar
Mark H. Fukunaga
Lawrence M. Johnson
Daniel B.T. Lau
Peter C. Lewis
G. Markus Polivka
Ihakara Puketapu
Jean E. Rolles
Joichi Saito
Puongpun Sananikone
Oswald K. Stender
Ratan N. Tata
Gulab Watumull
Zap J. Zlatoper



Terry Bigalke, Dean of Academic Programs, and students in front of Hale Halawai.

Alumni Annual Scholarship Fund

Rajeswari Kaniyur Srinivasan from India is the first recipient of the Alumni Annual Scholarship. The fund includes designated contributions from the EWC Foundation's annual campaign and proceeds from the silent auction at the annual dinner. Selection is based on financial need and community involvement, academic progress and involvement with EWCA. Ms. Srinivasa is currently an EWC Affiliate Student who is working on her Ph.D. in horticulture. She plans to return to India and teach genetics and the applications of molecular biology at the university level.

2002-03 Annual Campaign

The East-West Center now increasingly relies on private funding to support our education program, policy-oriented research and short-term professional training. A key goal of the Center is to build a sounder, more diversified financial base. That is why we need the commitment of our alumni, associates and friends to financially support the Center and work together to build an Asia Pacific community. Your gift to the Center's annual campaign will help us to accomplish our critical mission.

Donations

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 are gifts received

between March 1, 2002

and August 31, 2002.

The East-West Center Foundation has made every effort to present an accurate listing of donors. If your name has been omitted or erroneously listed, please call Judy Masters at 808-944-7102.

Anonymous (3)
 Roberta E. Adams
 Kafuzil Agbayani
 Jameel Ahmad
 Mary Louise Akaka
 Muthiah Alagappa
 Roger T. Ames
 Fred and Kiyoko Anderson
 Marilyn J. Anderson
 Dr. Michael H. Anderson
 Lyn F. Anzai
 Dr. Virginia L. Aprieto
 George R. Ariyoshi
 Mr. & Mrs. Man Kwong Au
 Winifred L. Au
 Elizabeth A. Aulsebrook
 Colonel Ronald H. Averill,
 USA (Ret.)
 Richard W. Baker
 Sara J. Banaszak
 Professor Libby Bay
 Fay E. Beauchamp
 Daniel Berman & Elizabeth
 Speckels Berman
 Joan M. Bickson
 Cobey Black
 Howard Philip Bodner
 Dr. Ann Mikiko Bouslog
 Tom Brislin
 Kenneth F. Brown
 Joyce A. Bullen
 The Estate of James
 Campbell
 Caryl J. Campbell
 Sharon A. Carstens
 Charlotte J. Cascio
 James Castle
 Central Pacific Bank
 Lily Lee Chen
 Shu-dong Chen
 Xin Chen
 Zhenping Chen
 Doris M. Ching
 Allen L. Clark
 Faye P. Clark-Thomas
 Scott Clarke
 Prof. Ansley J. Coale
 Douglas A. Codiga
 Janey Cole
 Richard L. Collins
 Nancy M. Conrath
 Convergence CT
 Mitsue Cook
 John & Catharine Cool
 Kusuma Cooray
 Jean F. Cornuelle
 Larry Daks
 Richard Damrow
 Marivic G. Dar
 Donald R. Dawson
 Cota Deles-Yabut
 Bruce Delman
 Donna Dequina
 Pravin & Theres Desai
 Maria Lucia Dexter
 Larry J. Diamond

Mendl W. Djunaidy
 Hiroko H. Dodge
 Dennis D. Donahue &
 Diane B. Obenchain
 Minna Doskow
 Vilath Douangphoumy
 Martha A. Dow
 Pamela P. Drymiller
 Dr. & Mrs. William M. H.
 Dung
 Lucien Ellington
 Dieter Ernst
 Roger Ernst
 Phil Estermann
 EWCA Australia Chapter
 EWCA Okinawa Chapter
 EWCA Washington DC
 Chapter
 Julien M. Farland
 John William Farrington
 Fely Libre Faulkner
 Gerard A. Finin
 Candace Finkelston
 Kathy Foley
 Bob Francescone
 Mary Jo Rossi Furgal
 Seiko Furuhashi
 Lois Gaeta
 Catherine Muirhead
 Gallagher
 Jacob A. Gayle
 Nancy J. Geiss
 Dr. Norman Geschwind &
 Letizia R. Geschwind
 Barry Keith Gills
 Craig Gima
 Howard Giskin
 Signe & Roger Godfrey
 Dr. Gloria Golec
 Jacquelyn W. Green
 Orion H. Greene
 Elizabeth Greenman
 Mr. & Mrs. Morley H. Gren
 Conrad E. Gubera
 Carleen Gumapac
 Amit Gupta
 Chance I. Gusukuma
 Jeanne M. Hamasaki
 Sandra Handler
 Suzan M. Harada
 Rana Hasan
 Khalid A. Hashmani
 Hawaiian Airlines, Inc.
 Susan Heftel-Liquido
 Stanley E. Henning
 Dal M. Herring
 Robert B. Hewett
 Drew E. Hinderer
 Diddy Hitchins, Ph.D.
 Stuart Ho
 Lon T. Holden
 The Honolulu Advertiser
 James F. Hopgood, Ph.D.
 Connie Howard
 HTH Corporation
 Al Hulsen
 Professor Nancy Hume

Cheryl Denise Kaneko
 Ikemiya
 Kazuhisa Inoue
 Robert Cirelli Irwin
 Dr. Abdul Jabbar
 Dong K. Jeong
 Charles J. Johnson, Ph.D.
 Dale R. Johnson
 Joan Johnson-Freese
 Meheroo Jussawalla, Ph.D.
 Jun Kabigting
 Mr. Yu-Jen Kao
 Kristina Y. Kekuewa
 Dr. Bonnie G. Kelm
 Ingeborg Kendall-Maranto
 Mary-Ann Kim
 Jane M. Kinney
 Victor & Cleo Kobayashi
 Kobayashi Development
 Group LLC
 Stanley H. Kober
 Teresita L. Chan Kopka
 Korean Consulate General
 Michiko U. Kornhauser
 Robert G. Krauss
 Susan C. Kreifels
 Felix B. Kwan
 Charles S. LaMonica
 Stephen Lane
 Bob Leaversuch
 Sang Kyu Lee
 Ping Sun Leung
 David C. Li
 Howard Liljestrand, M.D.
 Richard & Paula Lilly
 Ruth Limtiaco
 Linda L. Lindsey
 Susan Lisovicz
 Dongshan Liu
 Tim & Zenny Logue
 Domingo Los Banos
 Bernice Char Loui (In mem-
 ory of Robert MacGregor)
 James D. Lynn
 Federico V. Magdalena
 Dr. & Mrs. H. B. Mankani
 Dr. Ely J. Marquez
 Bjorn Marsen
 Supatra Masdit
 Andrew and Janet Mason
 Michael & Judy Masters
 Toshinori Masuno
 Jon K. Matsuoka
 David P. McCauley
 Georgia McCauley
 Laurene McClain
 Isabel S. McClendon
 Thomas Mesner
 Laura M. Miho
 Gregory A. Mills
 Dr. Joyce Mills
 Judith A. Mills-Cerny
 Audrey A. Minei
 Dr. & Mrs. Edison H.
 Miyawaki - Cincinnati
 Bengals
 David J. Mongold

James F. & Lauren Moriarty
 Mr. & Mrs. James Moriarty
 Linda Moriarty
 Yoshihisa Morito
 The Morningside
 Foundation
 Charles E. Morrison
 Dr. Susan R. Morrow
 Gerald Mullins
 Anne Mulvaney
 Robert L. Munroe
 Yoshinori Murakami
 Chifumi Nagai & Michael
 Weitzenhoff
 Mrs. Mary Anne Najjar
 Dr. Etsuko Nakayama
 Joan M. Natalie
 Sheila Nayar
 Arthur Ngiraklong
 Richard Nichols
 Herbert Nien
 Yoshio Niho
 The Ninash Foundation
 Myrna M. Nip
 Nobuko Ochner
 Lauri B. Ogomoro
 John Kenneth Olenik
 Capt. Victor S. Olshansky,
 U.S. Army
 Raymond and Bonnie Olson
 The Ono Foundation
 Sara E. Orel
 Tsunehiko Oshiro
 Tsue A. and Gerald A.
 Ostermann
 Joseph L. Overton
 Pacific & Asian Affairs
 Council
 Dr. Elaine S. Padilla
 Michael Parke
 Don & Sally Parker
 J. S. Peacock
 Diane Perushek
 William S. Pfeiffer
 Teresa Phuong-Mai Phan
 Susan J. Pharr, Ph.D.
 Sheilah Philip-Bradfield
 Diana W. Pietsch
 G. Markus Polivka
 Elaine M. Pospishil
 Prince Resorts Hawaii, Inc.
 Dr. Ross Prizzia
 Siegfried Ramler
 Teresita V. Ramos
 Virginia B. Randolph
 Morita Rapoza
 Drs. Venu & V. J. Reddy
 Professor William E. Remus
 Bob and Ursula Retherford
 Jack Reynolds
 Dr. Lawrence C. Rhyne
 Marcia R. Rickard
 Kenneth S. & Shaunagh G.
 Robbins
 D. G. Rogers
 Jean E. Rolles
 Peter Rose

Iftikhar Saeed
Lila Watumull Sahney
Dr. Chhany Sak-Humphry
Ambassador Charles B.
Salmon, Jr.
Puongpun and Thanh Lo
Sananikone
June Sato
Masatoshi Sato
Robert S. Saunders
Timothy Savage
Benjamin Schlesinger, FRSC
Regina B. Schofield
Carl Schwartz
Valerie Frances Sedlak, Ph.D.
Servco Foundation
Stephanie A. Shapiro
George W. Shardlow, Ph.D.
Bishnu Kumari Sharma
Dr. Jagdish Sharma

Santosh D. Sharma
Mr. & Mrs. Haigo T. H.
Shen
James J. Shinn
Kathleen Shizumura
Craig V. Showalter
Hamzah Md. Sidek
Kitty & John Simonds
Kenneth & Martha
Simonsen
William E. Slaymaker
Pamela J. Slutz
Barbara B. Smith
Sheila A. Smith
Sprint Hawaii
Susan E. Stahl
Namji and Patrick
Steinemann
Oz Stender
John & Sandra Stephenson

Teresa A. Sullivan
Synergy Design, Inc.
Joanne F. Tachibana
Linda Chu Takayama
Shigeatsu Taki
Frank Tang
Earl K. Tanna
Mr. & Mrs. Toma Tasaki
Charles E. Tatum
William M. Taylor
John & Joan Teaiwa
Kanko Teruya
Tesoro Hawaii
John & Donna Thomas
V. Bruce J. Tolentino
Kazuko Tonoike
Mark Torreano
Ricardo D. Trimillos
Lawrence K. W. Tseu
Etsuko Tsuji

Hisashi Ujiie
University of Hawaii at
Manoa Faculty and
Administrators
University of Hawaii College
of Business Administration
University of Hawaii
Foundation
Urasenke Foundation of
Hawaii
Elizabeth Van Dyke
Albert E. Varady
Drs. Abha & Manish Varma
Donna Videtich
Bettye S. Walsh
Jeff and Edna Walters
Ethel Alikpala Ward
Gene & Faredah Ward
Watanabe, Ing and
Kawashima
Mr. & Mrs. Gulab Watumull

The Honorable Sheila
Watumull
Dr. Susan S. Waugh
Dr. David Wemhaner
Ms. Sidney B. Westley
Geoffrey White
Dr. Lynn T. White
Anny Wong
Patrick & Carol Wong
Alvin & Trudy Wong
Zhengkang Wu
Sharon Yamamoto
Takashi Yamamoto
Yan Xin Qigong Club at EWC
Caroline Yang
Xiaomei Yang
John A. Young
Peter F. Young
Janice Yu
Zap J. Zlatoper

\$16,565 Received From McNerny Foundation

The challenge grant by the McNerny Foundation was a major incentive that increased alumni participation in the 2001-02 Annual Campaign. The foundation matched all first-time gifts from EWC alumni — up to \$100 per donor. \$26,935 was raised from 237 alumni who had never donated to the Center before. The matching portion was \$16,565 (66%) of the \$25,000 goal. Although the largest number of gifts

were from the United States, the grant provided an incentive for alumni from many other countries to donate to the Center: Australia, Canada, China, Fiji, India, Indonesia, Japan, Korea, Nepal, Philippines, Taiwan, and Thailand. Phonathons were conducted by EWCA chapters in New York and Chicago and EWC students in Hawaii to encourage alumni donations.

EWC students from Mongolia, Korea, China, Hawaii and Malaysia volunteered to phone alumni for donations.



An International Affair 2003

Be sure to mark your calendar for the EWC Foundation's annual dinner, *An International Affair*, on Wednesday, March 5, 2003 at the Hilton Hawaiian Village Coral Ballroom.

Taj Mahal Hotel chefs receiving an ovation from the crowd during the 2002 dinner.



Charitable Gift Annuity Benefits EWC Education Program

Lorinda Chew Cheng-Arashihiro has established a charitable gift annuity with the Hawaii Community Foundation for \$50,000 to benefit the East-West Center. The James Francis and Lorinda Chew Cheng Fellowship will be created to encourage and support individuals from Asia in their pursuit of study and research.

A graduate of University of Hawaii at Manoa with a bachelor of science degree in nursing, Lorinda's nursing career included the Air Force Nurse Corps, a private duty nurse in local hospitals and the federal government in Alaska among native Alaskans. Her late husband, James Francis Cheng, was a marine engineer at Pearl Harbor. In 1997, Lorinda married Casper Arashihiro. She is now retired and an active senior citizen who enjoys mah-jong, gardening, swimming and attends church every Sunday.

Lorinda shares the Center's vision of building an Asia Pacific community and wants to benefit our education program by supporting a new student fellowship. Lorinda and Casper regularly attend many of the Center's programs such as the breakfast briefings and president roundtables.

A charitable gift annuity is an excellent financial planning tool that enables donors to receive fixed payments for life, an immediate income tax deduction, and perhaps most importantly, provide support to the East-West Center's programs. For more information



Lorinda Chew Cheng-Arashihiro

on planned giving opportunities at the East-West Center Foundation, you may request a free copy of the new brochure, "Leaving A Legacy: A Guide to Charitable Gift Planning" by calling the foundation office at 808-944-7102 or by email, mastersj@EastWestCenter.org. The EWC's planned giving program is supported by a grant from the Atherton Family Foundation.



EWC new planned giving brochure.

Contribution for Publications

\$10,000 was received from the A.C. Griffin 1993 Family Trust for publication expenses to support the distribution of select East-West Center publications to libraries and educational organizations in the countries of India and Indonesia. Kirk Smith, EWC senior fellow, served as his uncle's successor trustee.

Corporate Support

Hawaiian Airlines provided an in-kind contribution of inter-island airline tickets to support the EWC Arts Program and outreach activities.

C.S. Wo & Sons, Ltd. provided an in-kind contribution of a portion of the furnishings in Hale Halawai.

AsiaPacific Breakfast Briefing

Christopher McNally, East-West Center fellow, spoke on "China In Transition" on August 20, 2002. This program is made possible by the support of Bank of Hawaii.

Foundation Staff

Stephanie Handa has joined the EWC Foundation as development assistant. Her responsibilities include coordinating special events, donor and prospect research, and maintaining the foundation's web page. She was most recently the receptionist in Burns Hall and previously with Pacific and Asian Affairs Council.