



The Unfolding Revolution in the Asia–Pacific Region

Robert A. Scalapino

This is a time of momentous change both within the nations of Asia and in the international relations of the region. Without exception, leaders throughout the area are facing formidable challenges in seeking to adjust to the global revolution underway.

The Economic Sphere

In the economic sphere, the abandonment of socialism is virtually unanimous. Even North Korea is timidly, tentatively experimenting with a market orientation and more extensive external contacts. Elsewhere China has led the way in moving toward a market economy, and the other erstwhile East Asian socialist state of importance, Vietnam, is taking the same course.

The Major States

There is no absence of problems in pursuing the new path. Although China represents a striking success in economic growth, with gross national product (GDP) gains averaging more than 9 percent annually in the last two decades, its leaders have confronted a major, still growing rural–urban cleavage; troublesome regional variations; and high unemployment, albeit with skilled worker shortages in the most rapidly developing areas. Some estimates are that more than 300 million rural people will move into China’s urban sites in the course of the next three decades, provoking major social problems. In addition, a fragile banking and financial system still exists

despite efforts at reform. Moreover, corruption remains a formidable problem at all levels of government.

Fortunately, China’s fourth generation of leaders are essentially pragmatists, not ideologues. Most were trained as engineers or in similar fields. They are strongly committed to resolving domestic problems. Lacking charisma, moreover, they must depend on performance for continued public support.

As economic interaction expands, economic developments in one state have an ever-greater influence on others. Northeast Asia, for example, is becoming more tightly interwoven economically: The interaction between assets and needs has made it a natural economic territory (NET). This produces both opportunities and challenges that can be seen on the broader front as well. China provides a massive market for others as well as a profitable source of foreign investment. At the same time, its low production costs in fields such as textiles have resulted in deepening threats to domestic producers such as those in the United States, especially since the withdrawal of tariffs. Moreover, the yuan–dollar fixed peg has resulted in an artificial rate for the region’s currency, greatly benefiting the Chinese. It is not surprising that others—led by the United States and the European Union—have demanded that the yuan rate be allowed to rise. Intellectual property protection is another issue that has grown rapidly with the expansion of economic interaction.

In Southeast Asia, Chinese economic penetration has advanced at an ever more rapid pace. Chinese markets are now vital to the countries of this region, and investment is significant in

both directions. Yet in a time of increasing competition, the premium on heightened efficiency and structural readjustments on the part of South and Southeast Asian economies is ever increasing.

Trends with respect to the Chinese and American economies are now significant to every nation of the Asia-Pacific region. The prospects for China are for continued high-level growth, probably at a gradually reduced rate. Few observers predict a hard landing. Estimates for the United States are somewhat more cautious. The massive fiscal deficit and challenges to competitiveness, especially in low-technology fields, are formidable. Nonetheless, most estimates—a predicted growth rate of 3 to 4 percent for the near term—are guardedly optimistic.

Japan, the world's second largest economy, faces problems of a different nature. Although never embracing socialism, the Japanese economy historically was epitomized by extensive state involvement, tight bureaucrat-entrepreneur relationships, a lack of transparency, and diverse inhibitions to international access, especially investment. Reform, moreover, has proved difficult despite the pledges of prime ministers such as Koizumi. The old system worked too well to be modified easily, yet conditions have increasingly demanded a change. Japan entered a period of economic stasis in the early 1990s, and its recent recovery has been uncertain and irregular. The current growth rate is in the 1- to 2-percent range.

As is clear, the major nations—increasingly important to regional and global economic trends—must be more resolute in addressing their domestic economic problems. China must permit alterations in its currency and trading conditions so that the rising tempo of external criticism can be muted. At the same time, it must push forward an innovative program for faster agricultural growth and the successful development of its backward regions. The United States must adopt more responsible fiscal policies and reform its Social Security program with an eye to the future. Japan must undertake serious reforms while developing more internationally oriented policies.

Human Security Issues

Among the human security issues that have emerged in the recent past, none is more important than that of aging and its consequences. Among the major states, Japan is in greatest jeopardy. While the Japanese population is declining, a rapid rise is occurring in the proportion of those over 65 years of age to the general population. In the not distant future, Japan will have fewer than three workers to every retired person. Without changes, further decline will follow. The large-scale movement of Japanese industries overseas, especially to China, has mitigated the problem to some extent in the recent past, but this tactic provides no long-term solution. Adding more women to the workforce and extending the age of retirement will help, but Japan must face the issue of immigration more directly, and that is not easy given the society's long commitment to homogeneity.

The United States is already wrestling with the problem of aging, as the controversy over Social Security reform indicates clearly. How to distribute costs and gains among generations will remain a divisive issue. Although China will continue to possess sizable numbers of younger citizens, the combination of population-control policies and increased aging, together with the very modest social security program currently in effect, make this a serious problem. Also, China's population will soon begin to decrease, and the percentage of males will rise in comparison to females as a result of the past one-child policy. Meanwhile, India, destined to become the world's most populous nation shortly, faces population problems that relate to the combination of a huge workforce and a growing aged population. For no nation are the answers to the aging issue easy or without cost. Economic growth in other parts of the Asia-Pacific region varies considerably.

Russia

Russia appears likely to show at least modest improvement in the period immediately ahead. President Vladimir Putin's political concerns,

however, have resulted in both a strengthening of the center and uncertainties regarding the private sector's independence. Russia moved too rapidly from socialism to capitalism, producing serious corruption and an oligarchic structure. Meaningful reform and progress have been slow in coming. The Russian Far East, moreover, has faced special difficulties, having long been the centrally subsidized region for military bases and production. Nonetheless, the significant oil and gas resources of this region promise a future of increasing economic interactions within the NET noted earlier.

The Korean Peninsula

The Korean Peninsula represents a graphic study of contrasts. South Korea, or the Republic of Korea (ROK), on balance, is a success story. Despite occasional dips in the past 20 years, the growth rate has been sufficient to enable this society to become one of the leading East Asian economies, increasingly interactive economically with its neighbors, especially China. The ROK is not without economic problems, but growth is slated to be in the 4- to 5-percent bracket in the near term, with living standards continuing to rise for the citizenry.

North Korea, or the Democratic People's Republic of Korea (DPRK), in contrast, remains an economic failure, notwithstanding modest advances since the economic changes of mid-2002 were inaugurated. The North has timidly undertaken an expansion of the market economy while adjusting its currency—as well as wages and prices—to the black-market rate. The result has been rapid inflation, overall annual growth within the 1- to 2-percent bracket, greater benefits to rural producers than to urban residents, and a cautious economic reaching out, primarily to South Korea. The North still is dependent on international aid, especially from China, for such commodities as food, energy, and fertilizer. Despite the concerns of the political elite that economic change may lead to political change, cautious reforms are likely to continue.

Mongolia

Mongolia has made modest progress from a semisocialist system under Russian tutelage to a more open economy. Although its urban population is growing, approximately 50 percent of the citizenry is rural, and a considerable number is still nomadic. Given the presence of China, including Inner Mongolia, on its borders, the Mongolians are naturally apprehensive about Chinese economic inroads. Yet Mongolia's dependence on the Chinese for trade and investment can only grow, balanced to some extent by nearby South Korea and the Russian Federation. It is not surprising that in economic as well as political terms, Mongolia seeks greater interaction with societies such as Japan and the United States.

Southeast Asia

The 500 million people of Southeast Asia are experiencing economic advances averaging 5 to 7 percent. The strongest economies, despite occasional dips, are those of Singapore, Malaysia, and Thailand, where political stability, entrepreneurial capacity, and generally valid economic policies have prevailed. Indonesia, the region's largest state, has had a more uncertain economic evolution, although its most recent course is encouraging. The Philippines also has been troubled by weak government, corruption, and limited reforms. Yet the immediate prospects for the region as a whole are positive.

Internationalism

Such international bodies as the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum (ARF), and ASEAN Plus Three (China, Japan, and the ROK) have played significant roles in enabling bilateral and multilateral economic agreements to be reached. Indeed it is in the economic sphere that internationalism has its greatest meaning, especially in the Asian-Pacific region. Free trade agreements are proliferating, and economic issues are featured prominently on the agendas of international dis-

course. In these developments lies the greatest hope for regional peace and stability. As we will shortly note, a nation—and especially a major nation—deeply interactive with others on the economic front realizes the enormous cost that high levels of tension or conflict can evoke. In this sense, wars—and especially wars among or between major nations—are unwinnable today. “Victor” as well as defeated will pay an enormous economic as well as political price. Thus the ever more intensive economic bonding between and among Asia–Pacific nations (and elsewhere) should be applauded, notwithstanding the continuous emergence of controversies such as trade policies and currency management now very much in evidence.

The Political Sphere

If internationalism is the dominant rising force on the economic front, nationalism is playing an ever more commanding role with respect to politics and security issues.

China

Once again, China is an appropriate starting point. After more than a century of weakness and sporadic domination by imperialist forces, China has emerged under the slogan, “Make China rich and strong.” As the influence of ideology has declined, nationalism has become ever more significant as a means of mobilizing the support of the citizenry for the state and its principal causes.

Thus in recent years, the Chinese government has championed the restoration of China’s “full territorial rights” with increasing vigor. This includes certain islands on its coastal peripheries, bringing it into contention with various South-east Asian nations as well as Japan. As another example, China created a brief storm with both North and South Korea when it asserted that the ancient kingdom of Koguryo (located in what is

now northeast China and a portion of the Korean Peninsula) was Chinese. After vigorous Korean protests, the issue was muted.

China and Taiwan

No issue is more formidable than that of Taiwan. China insists on the acceptance of the fact that there is one China, which must include Taiwan. It will not accept diplomatic relations with any nation that has such relations with Taipei. Moreover, the issue of Taiwan remains of critical importance in Sino–American relations. The United States has long held to a deliberately ambiguous Taiwan policy. It recognizes one China (without a specific definition) and insists that the issue of China–Taiwan relations be resolved peacefully, without a declaration of independence or the use of force and in accordance with the wishes of the people of Taiwan. At the same time, it makes military weapons available for Taiwan’s defense. Moreover, without being willing to serve as arbiter, it engages in a wide range of activities with Taiwan outside official lines.

China recently has made some significant alterations in its approach to Taiwan. After enacting the Antiseccession Law, which provides legal justification for military action should Taiwan cross the redline of independence, China greatly expanded its contacts with Taiwan’s political leaders, including the heads of the Kuomintang (or Nationalist party) and the People First party (PFP). Only President Chen Shui-bian and his Democratic Progressive party (DPP) remain shunned, but given Chen’s recent overtures, that may change. It is clear that the ongoing effort involves appealing to a wider circle of Taiwanese by emphasizing Taiwan’s economic interests, promoting a relationship that will advance economic bonds and look toward political unification. Since more than 1 million Taiwanese already live on the mainland, where they are engaged in economic intercourse, and the Taiwan business community is increasingly dependent on the mainland for trade and investment, this

course of action is much wiser than the former policies of threat and confrontation.

Nevertheless, the future of the China-Taiwan relationship cannot be predicted. A positive scenario would involve the continuing growth of economic and cultural interactions, ultimately leading to changes in political relations depending on political trends within both societies. However, the "one-country, two-systems" formula based on Hong Kong and Macao and demanded by Beijing seems unlikely in the foreseeable future. According to past polls, a strong majority of Taiwanese want to preserve the political status quo, which is *de facto* independence, desiring neither a formal declaration of independence nor reunification under the Chinese formula. One possibility would be some type of federation or confederation, setting aside the issue of sovereignty for the present. In the near term, however, Cross-Straits relations will constitute a delicate issue for both sides. Given the nature of current public opinion in Taiwan, however, the Kuomintang and others must be careful not to be judged "puppets of Beijing." At the same time, Chen and the DPP must demonstrate flexibility, adjusting to new Chinese policies in a manner that avoids raising tension or damaging Taiwan's economy. Having advanced a more sophisticated policy on the mainland regarding Taiwan, the authorities in Beijing cannot easily abandon the nationalist goals of unification deeply ingrained in all pronouncements, but flexibility must be shown. Thus although recent developments have opened potential new channels for peaceful interaction, no satisfactory solution except the maintenance of the political status quo is in sight.

China and Japan

Relations between China and Japan recently have risen to a level of tension not seen since World War II. Chinese attacks on Japan range over a host of issues, including a supposed unwillingness on the part of Japan to acknowledge fully the crimes of the past; the publication of textbooks deficient in reporting history accurately; Japanese political leaders' visits to Yasu-

kuni Shrine, where burials include some adjudged to be war criminals; and Japan's claims to territories that China insists belong to it (steps are now being taken to recover resources within their confines). As is well known, large-scale demonstrations have taken place in China, and the media have devoted extensive attention to these issues.

Yet when it became clear that continued high-level tension could have serious economic repercussions in terms of investments and trade with Japan, Chinese authorities called for a halt to violent demonstrations, detained certain individuals, and indicated that further excesses would not be tolerated, as the message had been sent clearly. For its part, Japan took certain accommodating steps. Koizumi issued yet another apology for the past and indicated that it was important that a meeting between leaders take place. In sum, although tension remains high and cooperation will be difficult on certain issues, both parties want to avoid the type of confrontation that could wreak serious economic damage on them.

China and Nationalism

The overarching political challenge that confronts current Chinese leaders is to use nationalism while keeping it under control. In the past, manifestations of Chinese nationalist resurgence have not been limited to relations with Japan. They are present in Chinese-U.S. relations, as evident in charges made by certain Chinese that in its insistence on "superpower dominance" of Asia, the United States seeks to encircle and contain China, thus constituting a threat. The U.S. defense budget, the emergence of a new military strategy, and the revised U.S.-Japan security treaty are issues China has considered worrisome. Yet, once again China is being careful, not voicing its complaints too loudly, indicating that the China-U.S. relationship is important to the national interests of both nations. For its part, the United States is attempting to contain negative reactions, although the textile issue and certain other economic controversies have reached Con-

gress, where there is the threat of legislative action.

Recent events should not obscure the fact that in broad terms China's relations with most neighbors are better at present than at any time in the past. China has strengthened its ties with Russia despite a relatively weak economic interaction based on Russia's still modest economic strength. Relations with the Central Asian states are expanding via the Shanghai Cooperation Organization and bilateral contacts. Oil and gas in several cases are prime factors in those relationships. Relations with South Korea are at a new stage of development, thanks primarily to economic interactions, whereas those with the North are relatively unchanged, at least officially, despite the North's intransigence with regard to the six-party talks. In South Asia, moreover, China not only has maintained its ties with Pakistan but has advanced those with India in a manner that offers hope for an end to the strategic stalemate of the past.

Looking ahead, China's leaders must meld nationalism, internationalism, and communalism in accordance with the nation's national interests. In moving toward the status of a global power, China must play an active role on the international stage—economic, political, and strategic. At the same time, as noted, it must use nationalism to maintain domestic stability while guarding against its excesses. Further, it must accept the fact that in this revolutionary age, people everywhere are seeking a more intimate, meaningful community—through religion, ethnic identification, or close relations with their immediate locales. Thus the center, without permitting its excesses, must accept communalism as a natural response to the trauma of this age. In all of these respects, China faces the same complexities as other twenty-first-century nations.

Japan

It has already been emphasized that Japan earlier enjoyed striking economic success together with success in reconnecting with democracy. Yet

for more than 50 years, Japan has been relegated to secondary status in terms of international recognition. It is not surprising that in recent years, a growing number of Japanese have demanded that their nation be treated as "a normal state," meaning a status equivalent to Japan's economic and political role. Thus Japan's authorities have called for permanent membership on the UN Security Council; revisions in the "peace" constitution that would permit the country to exercise a full range of security rights; and the status of partnership, not patron-client relations, with its ally, the United States.

Japanese politics, from which the left has been virtually eliminated, is dominated by the center-right. Revisions in military security have expanded Japan's responsibilities and enabled it to adopt a missile defense program along with other additions to the U.S.–Japan security relationship. On such issues as taking responsibility for past war crimes, the Japanese attitude has increasingly been that of asserting, "We have apologized enough. This is merely an effort to gain more compensation and keep us down." The Japanese understand that their image is strongly negative in China and the two Koreas but realize that economic trends have been sufficiently positive to reduce concern, at least until recently.

Japan and Russia

Japan's political relations with Russia remain deadlocked because of the controversy over the Northern Territories (South Kuriles). Russia's proposal to return two of the four islands—a reiteration of an earlier plan—has not been acceptable, at least as yet. Nonetheless, Japan's willingness to assist in the construction of a pipeline to Nakhodka, thence across the sea to Japan, if realized finally, promises to increase its economic interaction greatly with the Russian Far East.

Japan and the Two Koreas

Relations with the two Koreas remain troubled despite significant growth in economic interaction between the ROK and Japan. As noted earlier, historical happenings have darkened the

Japanese image, and in the case of North Korea, the issue of abductees and their fate has recently blocked advances. Thus Japan, like the United States, has taken a relatively hard line on the DPRK. It has curtailed economic assistance and imposed various restrictions. With Taiwan, however, Japan has good relations. Here its image has been better than in any other part of the old Japanese Empire, sometimes to China's dismay. Cultural as well as economic interactions have thrived.

Japan's Regional Role

With respect to Southeast Asia, Japan has steadily expanded relations and taken an ever more active role in the international organizations of the region. At the same time, the alliance with the United States, as noted, has been strengthened and made more comprehensive. With its neighbors in Northeast Asia, especially China and the two Koreas, however, tensions remain high. Political stability at home has contributed to Japan's rising importance in the region. In recent years, one party has consistently maintained power, either singly or in coalition, prompting the designation "a one-and-one-half-party system." Recently, however, the Democratic party of Japan has emerged as a significant competitor to the Liberal Democratic party, and the prospects for a genuine two-party system have increased.

The Russian Federation

Another nation seeking greater authority and status is the Russian Federation. From the beginning of his tenure, President Putin has sought to reestablish Russia as a global power, albeit handicapped by a less than satisfactory economic performance and a blurred political image. However, the effort to work with the West continues with respect to both the European Union (EU) and the United States. The expansion of the EU to include East European nations and the security involvement of the United States in certain states that were a part of the Soviet Union have produced complications; but for both economic

and security reasons, Moscow has continued to seek a positive relationship and generally has succeeded, although on a wide range of issues—including the control of weapons, domestic policies, and relations with Central Asian states—differences exist.

Russia under Putin also has sought to reestablish its prominent role in Asia. Relations with China have been advanced on both the economic and strategic fronts, although they remain far from the nature of an alliance. Russia is now a party to the talks regarding North Korea and has significantly improved its relations with South Korea. Japan remains a problem, as noted, but Russia has urged consideration of the compromise on the South Kuriles that it has advanced. In sum, the Russian Federation intends to play a major role in Northeast Asia, using both its resources and its geopolitical position.

The resumption of closer relations with India is another indication of the Russian desire to play a global role. Although India may no longer need a Russian screen to protect it against a rising China, a favorable relationship with Moscow continues to be of benefit in various ways.

Meanwhile, in the Middle East, Moscow has provided weapons on a selective basis and sought political rapport. Putin's recent trip to Israel and Palestine symbolized the Russian effort to play a more prominent role in the troubled peace process there.

In sum, although many issues involving other nations remain unsettled, the Russian Federation is pursuing a foreign policy of seeking rapport with the greatest variety of nations while it continues to search for the appropriate economic and political policies that will expand growth and stability at home. Both efforts are far from complete, but they are primary commitments now and for the foreseeable future.

U.S. Policies

The United States is the nation destined to have the greatest impact on the world in the years immediately ahead. Its policy determinations,

domestic and foreign, and its capacity to work with others in pursuing key objectives are of critical importance. At a time when ideology has been declining generally, especially in old socialist societies, it has been rising as an aspect of American thought and policy. To save the world for peace and democracy has become the dominant theme of the second Bush administration. At the same time, however, the economic and political costs of unilateralism have been impressed on both the U.S. government and its people, a result of recent events. Thus an effort has been made to regain support from former European allies and to pledge cooperation with respect to major issues. In Asia especially, recent U.S. policy has emphasized working with allies and other important nations on such issues as North Korea, strengthening existing strategic ties, and avoiding high levels of tension.

Now and for the foreseeable future, U.S. policy in Asia will rest on two foundations—a concert of powers and a balance of power. On the one hand, the United States will seek to facilitate various coalitions of states—formal and informal—having a common interest in a given problem or set of problems, encourage regular dialogue, and formulate effective, mutually accepted policies. At the same time, the United States will maintain its strategic alliances with Japan and South Korea, as well as its special ties with certain other East Asian states, albeit while making various adjustments in conformity with its newly revised strategic doctrine. These commitments will not be labeled “a containment of China” but rather a program designed to encourage China to abide by the five principles of peaceful coexistence to which it regularly pledges adherence.

At the same time, one cannot overlook the possibility that there will arise a debate involving both political leaders and the American people at large relating to the U.S. international commitment. A debate of this kind would have echoes of the past: Periodically, after extensive—and costly—commitments abroad, both through conflict and other actions, a degree of withdrawal has

taken place. The questions have been posed, “Why should we bear such heavy burdens?” and “Should we devote more of our resources to needs at home, persuading our allies and others to contribute a greater share of the costs involved in building peace and stability?” The price of being the world’s sole superpower has been extensive, given the adoption of certain policies. Moreover, the rewards have not always been positive. Anti-Americanism in various forms has grown, even within allied nations such as South Korea, where younger generations in particular have raised questions about dependence on American power and policy. There is little likelihood that the debate within the United States will lead to a return to isolationism, as was the trend after World War I. Ours is a very different, much more interdependent world. However, the issues of shared costs and, concomitantly, shared authority are certain to remain prominent political matters.

North Korea’s Nuclear Plans

One issue destined to test the capacity of key parties to cooperate is that of North Korea and its nuclear plans. As noted earlier, the DPRK remains a faltering state economically, despite certain reform efforts, and is still dependent on others for minimal needs. Far from being a revolutionary society, North Korea is highly traditional. In its absolute monarchy, its efforts to maintain isolation until recently, and the archaic description of the world presented to its people, North Korea displays all of the attributes of societies long vanished. How to bring this traditional society into the modern world thus remains a supreme challenge.

Hard facts about the DPRK are few. Does it have deliverable nuclear weapons, and if so in what form and how many? North Korean statements and missile tests notwithstanding, outsiders cannot be certain about such matters, especially as no nuclear tests have yet been undertaken. Is the nuclear issue primarily a bargaining chip, and is the North prepared to give

up its weapons program in exchange for sufficient security and economic and political concessions? Or is it determined to keep its nuclear weapons program irrespective of the consequences? Assuming the desire of all parties to reach a viable resolution of the issue, what are the minimal requirements for such an outcome?

Unless and until serious negotiations are undertaken, none of these questions can be answered with any assurance. At present, the North continues to refuse to return to the six-party talks, advancing various reasons primarily relating to American hostility and threat. The United States has insisted repeatedly that it has no intention of using force to resolve the issue, although it also asserts that no possibility can be removed from the table. Moreover, President Bush continues to use harsh labels in defining the DPRK and its leader, and the North answers in kind.

The DPRK has no genuine allies at present. Its closest ties are to China. Privately the Chinese are critical of the North, viewing its economic reforms as belated and insufficient and its political system as bizarre. China, however, does not want a collapsed North Korea or a conflict; hence it continues to provide support while applying modest pressure on the North to return to the talks. South Korea also pursues policies toward the North that are different from those of the United States. The South emphasizes expanding economic ties via projects like the Kaesong Special Zone. Thus differences exist among nations seeking to work together on the North Korea issue. If progress is to be made, these nations should make every effort to coordinate their positions in order to present Pyongyang with a clearly defined proposal.

A hopeful scenario would be one in which negotiations were resumed, the two key actors demonstrated greater flexibility, and a staged sequence of actions and responses was inaugurated. Even in that case, the two critical issues—neither easy to resolve—would be verification and timing; namely, at what point does one party take positive actions in response to the actions of the other party, and how extensive should those ac-

tions be? A negative scenario might be based on the DPRK's continued refusal to return to negotiations, prompting the United States, worried about the expansion of weapons, to take the matter to the UN Security Council—where, it is likely, agreement on a course of action such as economic sanctions could not be reached. Thus divisions among the parties concerned might be deepened. It is clear that without the participation of China—as well as South Korea—economic sanctions would have limited consequences.

Conclusions

As one looks at the broad Asia-Pacific strategic horizon, the North Korea issue is likely to remain the most troublesome problem. Temporarily at least, tension with respect to China-Taiwan has lessened and new tactics are being employed by the principal parties. Although no trust exists between Beijing and Chen Shui-bian and no political resolution of the relationship is in sight, the new contest involves influencing Taiwanese public opinion, and all parties are demonstrating greater flexibility at least for the present.

Many territorial disputes in the region have been resolved or set aside. Certain controversies—like that relating to the South Kuriles—will be reopened, as will the Senkaku (Diaoyutai) issue between China and Japan and similar disputes pertaining to South Korea and Japan and in Southeast Asia. However, no nation today gives evidence of desiring to see tension over such issues greatly elevated. On the peripheries, moreover, significant progress has been made in the long-standing India-Pakistan struggle over Kashmir.

In addition, although some states in the region remain fragile in political terms, stability, broadly speaking, has gained ground. Moreover, with prominent exceptions like Myanmar, political openness has scored advances even as communalism in its more extreme forms is being restrained. Indonesia is a prominent example. On the economic front, gains in GDP in Asia in 2004

were 7.2 percent, according to the World Bank, and are predicted to be 6 percent for 2005. (Some figures for the two years are 1-percent higher.) Such progress should underwrite stability.

As indicated earlier, however, internationalism remains limited in its capacities despite a proliferation of organizations, formal and informal. As a peacemaking or peace-keeping vehicle, ASEAN and similar bodies are seriously limited. Consensus remains the requisite for decisions, and national sovereignty continues to be paramount. Experimentation with less formal bodies of three, four, or six nations dedicated to dealing with specific problems will continue, as will the valuable contributions of nongovernmental organizations. It has been suggested that if the six-party talks ultimately produce a resolution of the North Korean issue, those nations might continue in association, constituting a Northeast Asia Security Commission with a permanent structure to deal with security issues in this critically important region of the world. At present this may be more a hope than a realistic possibility, but the idea should be retained for serious consideration. In any event, nations have begun to meet informally in groups of three or four to consider ongoing problems.

The future should be regarded with guarded optimism. As noted, war—especially a major conflict—can have no true winners today. Further, all of the major nations face complex domestic

problems, which will not disappear or be resolved easily. Every nation, including the United States, must devote more attention to those issues we label *human security*, for they are certain to become vastly more critical in the decades ahead. The growing scarcity of resources, rapid aging, pollution, and immigration are among the problems to be confronted. Diverse approaches, both domestic and international, are required.

Meanwhile, existing economic and security networks are of vital importance. No nation wants to see its trade and investment opportunities restricted, and although economic interdependence has created many problems, these must be handled through negotiations, not disbandment. In sum, the ongoing Asia–Pacific revolution will deliver a better life to more people, and in its course regional peace and stability can be strengthened. But within that hopeful framework, creativity will be needed to match complexity. New ideas and institutions, together with the reform of those that already exist, can make the twenty-first century a time of achievement and hope.

About the Author

Robert A. Scalapino is Robson Research Professor of Government Emeritus at the University of California, Berkeley.