

THE HALF-EMPTY BASIN

by James Clovis Clad

I was born in New Haven, Connecticut, scarcely a year after World War II ended, a child of the G.I. Bill that financed my father's education at Yale. Soon afterward my parents moved to California, taking me along at the tender but obliging age of two years. My earliest memories therefore hang on Pacific horizons—glimpses of beach cliffs from toddler's eye-level just above the back seat of a 1940 Ford.

Westward movement was to become the constant of my life, a journey ever farther into what we now call, with practiced ease, the "Asia-Pacific." My family pulled up stakes after my father died suddenly, and my mother ventured yet farther from her roots in Westchester County, New York. She took us to another New World land having another recycled Old World name.

New Zealand became our new home. My three younger sisters, all California-born, and I trekked off to school in blazers and ties, carrying hockey sticks and cricket bats. We each went on to have careers in Asia and the Pacific, in my case as a diplomat and journalist.

Grappling successively with Malay and Tagalog, Chinese and Hindi, I have lived, worked, and (at times) run for my life in Asia during the last 20 years. Watching the wash of money, I have spent much time writing about Asian economies, trudging through more financial and trade data than I ever thought digestible.

Now living once more in America, I

look back perplexed at this maze of experience, loyalty, and affinity. I feel more at home in Southeast Asia's tropical cities than I do in Washington, D.C., where I now live. Even New Zealand's antipodean flag—a Union Jack facing a red-starred Southern Cross in a field of deep Pacific blue—still elicits emotions close to those stirred by my native country's broad stripes and bright stars. As much as anyone, I feel plausibly well primed for the coming "Pacific Century."

There is just one problem: I don't believe in it. To be more precise, I distrust the hyperbole surrounding this heavily anticipated era-to-be. That immense economic changes have occurred in some countries riparian to the Pacific cannot be denied; that these necessarily portend a chummy, free-marketeering "region" reaching from Mexico to Thailand and preeminent in the world is by no means settled.

Such dissent may strike many as needlessly cautious, even a bit mean-spirited. It certainly runs counter to nearly three decades of sedulous insistence that in the huge expanse of Asia and the Pacific Rim there exists very much (with apologies to Gertrude Stein) a "there there." Rather than tilt foolishly against the incontrovertible evidence of Asian success, however, I would simply urge more circumspection. If my picture of the Pacific region-to-come is less glamorous than that of Pacific Centurians in the business and academic communities, it is, I think, more plausible.

At the very least, it leaves room for surprises, failures, and reversals of fortune.

Sounding a tardy reveille to America's slumbering national consciousness, the U.S. House of Representatives' Ways and Means Committee conducted a workshop in June 1988 to discuss the East Asian competitive threat. Out of these sessions came a report entitled "East Asia: Challenges for U.S. Economic and Security Interests in the 1990s."

The document opens by announcing that "it has become commonplace to say that the world is on the verge of a Pacific Century." It then proceeds to survey East Asia's commercial dynamism, concluding that all the financial and technological indicators now show the "fulcrum of world business activity increasingly shifting toward East Asia."

The congressional report added yet more paper to an already sizeable mountain of books and articles dealing with East Asian success. For over a decade, books such as Ezra Vogel's *Japan As Number One* and Kent Calder and Roy Hofheinz, Jr.'s *Eastasia Edge* have focused on East Asia's export-oriented policies, especially those of Japan, South Korea, and Taiwan. Other titles have emphasized the motivated and skilled workforce in those countries, or their characteristically close business-government linkages. Still other articles and books dwell on thrifty habits which subordinate the instant gratification of consumerism to the discipline of saving and long-



The Pacific Basin, merging the economies and cultures of the Occident with those of the Orient, is a notion as bewildering to some as it is attractive to others. Painting by Nagatani/Tracey.

term investment. Add to all these widely celebrated virtues yet another ingredient—the receptivity to foreign investment displayed by the smaller East Asian economies—and you have the makings of a breathtaking success story.

The numbers cited to support the story are indeed impressive. During the last 20 years, annual growth rates in Hong Kong, Japan, Indonesia, Malaysia, Singapore, South Korea, Taiwan, and Thailand have only rarely slipped below five percent; in the light industrial and service economies of Hong Kong and Singapore, the rates have sometimes surpassed 10 percent during the last decade.

The longer view is just as compelling. Since the 1960s, the Japanese, South Ko-

rean, and Taiwanese economies have averaged some 7-9 percent annual growth in gross domestic product (GDP). Manufactured exports have long achieved preeminence in the export "spread" of these economies, and they are now doing so in tropical Southeast Asia, where an equally impressive spread of commodities, ranging from oil to rubber, adds to the export profile. Per-capita income has soared. The middle classes have grown. Industrialization has accelerated. And now even Western-style consumerism is booming.

Much writing about the Asia-Pacific in America puts a strong, even alarmist emphasis on the competitive challenge posed by Asia, particularly by Japan. But growing attention to the trade success of so-called newly industrialized economies (NIEs) has also spawned books and articles anticipating an inconceivably rich region-in-the-making, one from which America stands to gain if it becomes a shrewder, more decisive player. The notion of an impending if still inchoate Pacific Region also picks up speed from books of the "gee-whiz" genre, including Joel Kotkin and Yoriko Kishimoto's *The Third Century*, which describes America's transformation into a Pacific country.

Optimism about a new Asian-Pacific era received a strong boost during the Reagan era, when confidence in pure market methodology soared. The economic dynamism in East Asia reflected, for some, the Universal Truth of market capitalism and the abiding wisdom of free trade. James Riedel of Johns Hopkins University has described how the "superlative performance" in East Asia, "combined with the relatively poor record of other countries adhering more closely to inward-looking policies,

[prompted] a 'new orthodoxy' in development economics"—an orthodoxy which Riedel says amounts, "in essence, to mainstream, neo-classical economics."

Whatever their emphasis, nearly all accounts of the looming Asian-Pacific era carry a heavy economic accentuation. This bias also colors the popular treatment in press and film about the impending "Pacific Century." "Western companies will have to hurry to catch up in Asia," says a breathless but illustrative piece of prose in the October 7, 1991, edition of *Fortune* magazine.

It is easy to be dazzled by the parade of figures. After all, nearly all the graphlines plotting the growth of East Asia's GDP, capital flows, direct foreign investment, trade volumes, air-passenger miles, cross-Pacific business migration, banking, trade surpluses, technological prowess, or telecommunications show ballistic trajectories. Because the point of intersection of these lines lies in Asia or, more generally, within the Pacific Basin, the resulting web provides conclusive evidence that an epochal region is in the making, one which will have the same effect on world history as the Mediterranean once had on the late medieval world.

Or so the argument goes. In support of such views, we often hear that the overall volume of foreign trade among countries bordering the Pacific now exceeds the volume exchanged among those riparian to the Atlantic. Intra-Asian trade is also rising. More anecdotally, we learn from State Department officials that the volume of telephone traffic between the United States and Malaysia has grown by 69,000 per cent since 1975. With such figures, the case, apparently, is made.

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But do dynamic growth patterns, on their own, make for an automatic regional temperament and inevitable association? As far as I can tell, they do not. I cannot equate what is happening around the Pacific Rim to the wide, full-bodied civilizations or cultural coherence of Europe or North America.

The more thoughtful Pacific Centurians, such as Mark Borthwick (who directs the U.S. National Committee for Pacific Economic Cooperation in Washington, D.C.), accept that incremental politics among the Asian-Pacific countries must fashion this diffused economic achievement into a truly regional reality. But even a glance at the extent and record of existing pan-Asian institutions suggests we must drastically scale down our expectations.

For an area to which the world's center of gravity has already shifted, East Asia is puzzlingly slow to behave regionally. Far fewer regional organizations exist in East Asia than elsewhere on the globe. Those with real influence are fewer still, while those with even a hint of supranational authority do not exist.

Because Pacific Rim optimists ground their argument in commercial affairs, Asia's lack of serious transnational economic institutions is telling. No mechanisms even remotely similar to the European Commission exist in Asia. The North American free-trade association between Canada and the United States remains light years ahead of Asian economic collaboration. Whether in financial matters or in broader commercial concerns, regional collaboration in East Asia remains fitful.

For almost 25 years now, the six-nation Association of Southeast Asian Nations (known as ASEAN and grouping Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand) has been promising ever more ambitious re-

gional economic collaboration. The results, as I recently argued in *Behind the Myth: Business, Money & Power in Southeast Asia* (1989), have been disappointing. I am not alone. Most descriptions of ASEAN focus on what the group has *not* achieved. As vocal as the six member nations have been about the importance of their association, their intragroup trade amounts to no more than 17 percent of their total external trade. Take away large, single-deal sales of oil and rice, and this drops below 10 percent.

Much is made of ASEAN's clout in trade diplomacy. Yet "the ASEAN countries have been free riders," as the economist R. J. Langhammer writes, referring to their habit of "receiving concessions negotiated by [bigger countries] rather than by their being equivalent negotiators" in the international trade system. Numerous ASEAN plans for industrial complementarity have gone nowhere. Likewise nearly all the grouping's joint industrial projects. In December 1987 the ASEAN heads of government (who have managed to meet at summit level just three times in 25 years) announced plans for a trading community by 1995. Next to nothing has happened. Similar plans to be implemented by the year 2000 won endorsement this year from ASEAN foreign ministers meeting in Kuala Lumpur. It might be unwise to bet on any real outcome.

The Manila-based Asian Development Bank (ADB) remains one of the oldest pan-Asian groupings. It has over 40 members, including the United States. Proud of its position as the world's richest regional multilateral financial institution, it also remains one of the world's most hidebound and bureaucratic organizations, criticized by its own staff as "intellectually sterile." Over the years, the bank has been used most successfully by Japanese construction and heavy-industry contractors who garner new contracts through its aid projects.

Private business groupings in Australia, East Asia, and North America are the more vocal and diligent exponents of the coming era-to-be. Most prominent among them are the Pacific Basin Economic Council (PBECE) and the Pacific Economic Cooperation Conference (PECC). After years of maneuvering, the diplomats have responded by creating, in November 1989, an even wider group, the Asia-Pacific Economic Cooperation (APEC) initiative.

APEC groups the United States, Canada, China, Japan, South Korea, Australia, New Zealand, and the ASEAN states as well as Taiwan and Hong Kong. Yet APEC to some appears as a loose and woolly forum replete with task groups and committees superimposed upon the insubstantial and more narrowly regional fluff of ASEAN. Discussing the shadow battles among these acronyms, a business editor in Singapore cites an old Chinese adage: "Hollow drums make the most noise."

Most pan-Asian organizations, other than environmentalist groups, steer well clear of such hard issues as runaway demographics, creation of a customs union, free movement of labor, or rationalization of such services as air and shipping lines. Only collective efforts to address such problems would mark the emergence of a truly embryonic region.

Although cultural explanations for some of East Asia's success stories have recently become fashionable among writers stressing the implications of pan-Pacific migration, the possibility that culture might serve as a glue for our common Pacific Destiny receives far less attention. Several factors account for this timidity. Throughout East Asia, the linguistic, migratory, and commercial trends appear to show as much divergence as convergence. As the Australian writer William O'Malley observes, "Culture has not been

popular in recent years in explanations of development. Culture, after all, is a soft concept, neither easily pinned down nor absolutely distinguishable in its workings."

True enough, but the almost organic "fit" of Northeast Asian institutions with business and export policy has attracted much interest. For example, the Confucian explanation for Northeast Asian success has received convincing support from journalists and academics.

As a code of social conduct stressing ethics and hierarchy, Confucian principles exert most influence in the societies of Japan, Korea, Hong Kong, Taiwan, and Chinese-dominated Singapore. The family itself becomes a guiding metaphor for political and economic relationships within the wider society. Respect flows upward from the youthful to the old, and from female to male.

Marry this system to the ingrained, consensual habit within powerful bureaucracies and (the theory goes) we soon reach a point where, as Chalmers Johnson says of Japan, "the state needs the market and the private enterprise needs the state; once both sides recognized this, high speed growth occurred." Yet O'Malley and other commentators are rightly skeptical about any deterministic Confucian causality running effortlessly from the cultural milieu straight to export-orientation and on to government-guided, corporation-led economic success.

The Confucian temperament, moreover, animates only the northern angles of the Asian-Pacific arc. Southeast Asia's many cultures display Buddhist, Hispanic Roman Catholic, Hindu, and Muslim influences. Yet this diversity may count less than a common Southeast Asian habit of patrimonial commerce. Traditions inimical to indigenous technological innovation flourish in Southeast Asia, coexisting comfortably beside often dizzying economic expansion.

The two phenomena are not incompatible. The dynamism of the world economy (rather than Southeast Asia's own dynamism) has delivered Southeast Asia's success: Outsiders' markets, outsiders' ideas, outsiders' capital, and outsiders' skills still account, in large part, for the economic "miracle" in Southeast Asia, much as they have for nearly five centuries.

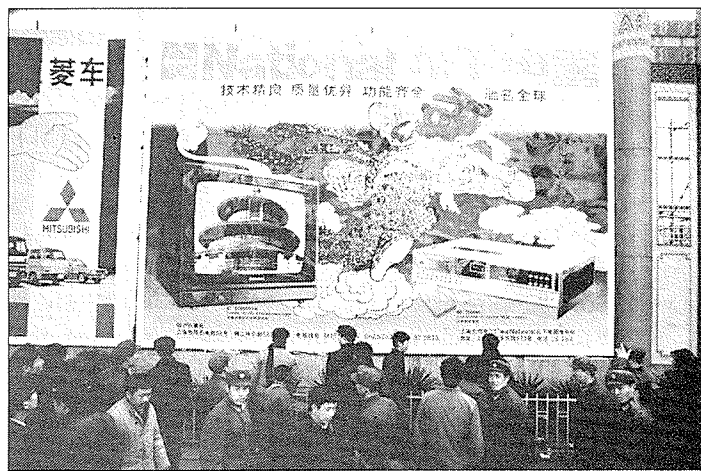
Despite hopes for the transfer of technology, the dependence of Southeast Asian economies upon foreign skills has never been greater. Efforts to lift the technological competence of local populations earn little praise—as surveys of Japanese and Korean managers based in Southeast Asia reveal. Major projects remain turn-key in nature, and resource extraction and commodities still account for a large percentage of foreign earnings. The value-added in much of Southeast Asian production comes to far less than in Japan or South Korea. This technological gap *within* Asia is growing mightily.

Indeed, signs abound that the "easy" phase of Southeast Asian growth may be ending. In the October 13, 1991, edition of the *New York Times*, correspondent David Sanger describes how footloose foreign investors are now seeking less costly places than Singapore to conduct their assembly operations. One remedy: develop "growth triangles" involving adjacent areas in Malaysia and Indonesia, which both have cheaper labor and raw materials. Singapore would supply managerial expertise.

"Singapore is hardly alone in facing these problems," Sanger says. "They echo throughout the 'Four Dragons,' the name

attached to the world's fastest-growing economies in the 1980s: Singapore, Hong Kong, South Korea and Taiwan." Sanger reports that there was once much talk about the Little Dragons soon "replicat[ing] the success of postwar Japan, a goal that always seemed . . . over-ambitious. Now, none of the four is so new anymore, and growth rates, while still impressive, are not likely to see the pace of the 1980s return."

Many of the Southeast Asian nations have something else in common: a highly secretive business culture, in which public



In Shanghai, a billboard advertises a video system that few mainland Chinese can afford. The economic dynamism of the Asia-Pacific may not offset abiding political obstacles to regionalism.

and private interests mix as effortlessly as the shuffled halves of a deck of cards. The habits of Southeast Asia's rulers rest upon centuries of experience by petty kings and sultans, who levied tolls on river or seaborne commerce. Governance in countries such as Indonesia, Malaysia, the Philippines, and Thailand still mirrors these passive wealth-generating habits.

To dismiss this as "corruption" misses the point. Patrimonial politics are intertwined with protected monopolies for favored cronies. Those so privileged carry different names in each country: Indonesians

call the local Chinese middlemen benefiting from patronage *cukongs*. In Malaysia, the word *towkay* is more often heard.

The Malay scholar Shaharuddin Maaruf, in his 1984 book *The Concept of a Hero in Malay Society*, has scathing words for the type of ruler exemplified in his country's past and still honored today. "Among the negative ideals of the dominant Malay elite," Shaharuddin says, "is the love of gain, the desire to get rich at all costs, a craving for material comfort and easy living, regardless of ethics."

Even in India, the phrase *baboo-neta raj* (literally "bureaucrat-trader rule") sums up both a type of economy and a frame of mind just as prevalent among Southeast Asian nations. The only difference is what economists call a far better "efficiency factor" among the latter: Most investors in Thailand or Malaysia face a one-time, factorable cost of corruption, not continuing demands on the purse.

These practices are not simply hiccups in an otherwise smoothly running capitalist engine sweeping all before it across East Asia. In his recent book, *God's Dust: A Modern Asian Journal*, Ian Buruma addresses a wider, more perplexing set of "cultural" questions. In Asia, Buruma explains, "modernity came from the outside, imposed by or imported from an alien world." Discussing eight countries, he describes how the apparent modernity in Asia may disguise as much as it reveals. Most of East Asia's Western admirers see the window dressing of central-business-district modernity adorning Kuala Lumpur, Bangkok, Seoul, or dozens of other Asian cities. But the rhythms of commerce, and the unobserved decision-making which determines its conquests, have no convincing parallel with what we find familiar. For example, during the 1980s governments in Malaysia, Indonesia, and elsewhere in Southeast Asia privatized many of their public corporations, a move

that won praise from the Western business press. Yet the effect was rarely to widen the ambit of "popular capitalism" by spreading share-holding throughout the population. On the contrary, insider advantages favored the politically powerful, reinforcing their position. "Crony privatization" might be a better description of what really happened in these countries.

Just as we must qualify such words as privatization, so must we ask whether "entrepreneurship" or the "market economy" mean the same thing to Asians as they do to Americans or Australians—or, for that matter, whether they mean the same thing to all Asians. Clearly, they do not. Japanese and Koreans make little effort in private to disguise their contempt for the "soft" cultures to their south; the Northeast Asians recognize free riding when they see it.

Beyond such intraregional cultural differences lie larger issues that run counter to a fully shared Pacific Identity. Examine the varying interpretations given to the word "democracy" and "human rights," for example. In the August 27, 1991, edition of the *Los Angeles Times*, Jim Mann describes a sharp dividing line between European and American dismay over human-rights abuses in Burma (and in other Asian countries such as Indonesia) and attitudes among Asian countries. Most Asian leaders fear and resent Western moves to devise a doctrine justifying intervention in a country's domestic affairs if minimal standards are not kept. Japan more often tries to equivocate rather than take a position on these questions.

Early in 1991, the European Community's foreign ministers collided with their ASEAN counterparts over the Burmese leadership's disgraceful human-rights record. This disagreement reflects a sharp divide over the permissibility of criticizing even the most repressive Asian regimes.

In Asia, economic and political plural-

ism do not necessarily go together. Consider Thailand, which enjoys an altogether too benign image in the West. In 1991, the Thai military overthrew a corrupt but democratic government. The Thai generals are perfectly content to deal with Burma's rulers. With Rangoon's acquiescence, Thai generals connive in logging the remaining stands of Burmese tropical timber. Many among the Thai military happily traffic in endangered species of wildlife, despite international conventions against such trade. They also traffic in heroin, and for more than a decade they have been indifferent to the Khmer Rouge's controlling and terrorizing a string of camps housing Cambodian refugees along the Thai-Cambodian border. All of this coexists perfectly well with Thailand's economic miracle.

As these and other examples show, the Asian-Pacific region contains a mixture of confusing or countervailing trends. We see liberalizing economies but few truly liberal political systems. We also see persistent ethnic strife and authoritarian temperaments. Beneath the easy slogans of common economic purpose lie old enmities. Koreans of whatever allegiance distrust Japan. Chinese hegemonism is feared throughout Southeast Asia. Unresolved territorial disputes remain an irritant, while ethnic separatism still plagues a wide swath of territory from Burma to eastern Indonesia.

Many southern Thais remain Malay Muslim in orientation and identity, resentful of Thai overlordship. Some of the East Timorese forcibly incorporated into Indonesia during 1975-76 still resist Jakarta's occupation, while ethnic Melanesian separatists continue a lonely struggle in the western half of New Guinea which passed in 1963 into Indonesian sovereignty. The Malaysian state of Sabah remains disputed by the Philippines. None of the claimant

countries to islands in the South China Sea accepts the others' claims. Hostile armies face each other on the Korean peninsula, always a hair-trigger's pull from war.

In far too many "miracle economies," deep social conflicts could quickly eliminate our confidence that the East Asians are securely on track. Even in the best years, ethnic Chinese in Southeast Asia remit billions of dollars to outside havens in Perth, Vancouver, San Francisco, and other favored abodes. Just one serious anti-Chinese riot in Malaysia—say, a repetition of the May 1969 Kuala Lumpur disturbances—would puncture Singapore's bubble of confidence. Similar anti-ethnic Chinese pressures exist in Indonesia.

Diplomatically, the ASEAN countries wonder how to contain Vietnamese dynamism after Hanoi's reintegration into the world economy. Taiwanese separatism could become a flashpoint in Taipei's ties to Beijing. Centrifugal tendencies are on the rise in south and west China. Australia and New Zealand are having Eurocentric second thoughts about the desirability of their East Asian future, as resentment against Asian immigrants and investment rises. And these are only some of the obvious political question marks hanging over East Asia and the Pacific.

But aren't such difficulties likely to be smoothed over as economies become more diversified and as Asians fan out along the Pacific Rim? Writers such as Norman Palmer chart a "mounting tide of contacts among officials, businessmen, professional people, scholars, students, tourists and others [which] is reaching new heights with every passing year." After all, China now deals routinely with South Korea, while Vietnam could soon re-enter world commerce.

I would still argue that this range of people-to-people contact owes more to the

globalization of Asian economic interests and less to an emerging regional mentality. Choice of language, choice of tertiary education, choice of popular culture, choice of intellectual inspiration—all these still point Westward. Indeed, one of the more damaging rebuttals of the touted Asian-Pacific regionalism is the very narrow appeal that Japan or South Korea have for the privileged youth of the rest of Asia. Despite huge investment by Northeast Asian firms throughout Asia, the lifestyle preferences of urban youths in Asia (including Japan and South Korea) remain fixed on American or European trends. Nor do Asians (other than poor migrant workers) clamor to move into Northeast Asia's homogeneous and often xenophobic societies. In Southeast Asia, both capital and the cream of cosmopolitan-minded people (particularly ethnic Chinese) head instead for havens in Europe, Australia, and North America.

Pacific regionalists counter by saying that the creation of Asian migrants' enclaves in Vancouver (now known among some Canadians as "Hong-couver"), Perth, or Los Angeles simply adds to regional momentum. Watching the gathering reaction to Asian migration and its isolation from the rest of the host economy in countries of migration, I am not so sure.

Because the Japanese understand regional limitations far better than Americans do, their trading houses and firms have played a better hand in their Asian-Pacific investments. Japan's Confucian mix, its convergent governmental and corporate policies, and its geographical proximity to the rest of Asia all "work" within an environment which, moreover, has one immense, extra benefit—American security.

If we take Japan's heavy emphasis on domestic economic rehabilitation, its impressive capital and research investment, and its careful cultivation of external markets during the past 45 years, it should not

really surprise us that Japan has become the preeminent trading partner and source of direct investment in all but a very few Asian economies.

The extent and pace of Japanese investment in countries as far apart as Pakistan and Australia have attracted much attention since the yen dramatically appreciated against other traded currencies after 1985. Yet several earlier phases of Japanese investment had also made a mark: Beginning in the 1950s and '60s, the Japanese invested in natural resources and fisheries. In the 1970s, this emphasis shifted to investing in consumer durable manufacturing, especially in motor transport, for the domestic Asian markets. Some labor-intensive industries also moved out of Japan into other Asian locales to export their product to the North American and European markets.

Now Japan's grip is well cemented. Throughout Asia, Japanese influence extends into commercial banking, real estate, resorts and hotels, and into more sophisticated assembly operations. Given such trends, does this ascendancy by Japan prefigure the shape of things to come—a new and improved version of Tokyo's hoped-for Greater East Asia Co-prosperity Sphere, with Japan, of course, at the center?

It is here that we must confront an important question: What exactly is our region-in-waiting? Is it, in the widest sense, the "Asia-Pacific" including South Asia? Or the "Pacific Rim"? Or perhaps East Asia without North America? Or even a narrower slice of East Asia without the Russians at the north or the Australians, New Zealanders, and assorted Pacific islanders at the southern extremity? If it is to be the "Pacific Rim," should we err on the side of inclusiveness, and bring in Mexico, Peru and Chile? Why not all the South Pacific microstates? And what about Burma?

This is not merely an academic exer-

cise: The future direction of APEC, PBEC, and other Basin organizations turns on such questions. Much energy goes into wrangles over which country comes next, if at all, into APEC. The United States favors the inclusive approach. So also, for the time being, does Japan. But others want a stiffening of the East Asian backbone and eschew a woolly, Pacific-wide grouping embracing English-speaking settler nations, transplanted European Latins, Polynesians, Andean Indians, and Mexican Latinos. To some Asian nostrils, such inclusiveness carries an unpleasant, mongrel scent.

Those who feel this way would position the six ASEAN nations as the core of an "East Asian Economic Caucus" within APEC. They would expand their caucus to include Japan, South Korea, and China, but would exclude the North Americans, Australasians, the Latin Americans, and others such as Papua New Guinea.

A lot of heat arises from this debate, but it receives little mention in even our major metropolitan press. The small slice of official Washington that pays attention to the matter is grumbling more and more audibly over the behavior of Mahathir Mohamad, Malaysia's prime minister and chief proponent of the Palefaces-Out School. Mahathir is the author of the caucus notion (itself a spin-off of a plan for an altogether separate East Asian grouping); before the United Nations General Assembly in September 1991, he asked whether "racist" reasons might lie behind Washington's objections to his plan. This was an interesting reaction from the premier of a country that institutionalizes separate treatment for non-Malays and other ingeniously defined "indigenous people."

Quite apart from diplomatic tempests, it is hard to discount the enthusiasm many Americans show for a coming Pacific Century, and harder yet to predict the consequences of such zeal. Not surprisingly,



Samurai businessman: All the talk about Pacific regionalism, some skeptics say, is only a cover for Japan's economic ambitions.

American West Coasters, geographically distant from the conceits and preoccupations of effete easterners and living chock-a-block with Asian migrants, feel much more acutely the tug of the transpacific promise.

This, in itself, has a long history. At the beginning of the 20th century, a number of California railroad magnates, newspaper proprietors, and West Coast politicians espoused the notion of a continuing westward destiny. "The Atlantic is the ocean of the past," declared Los Angeles developer and railroad man Henry Huntington in 1912. "Europe can supply its wants; we shall supply the wants of Asia." With changing demographics and rising transpacific business, the West Coast's peculiar tone has grown even more optimistic. David Rieff, in his recent urban profile, *Los Angeles: Capital of the Third World*, captures this promotional fervor in the words of a California political consultant:

"... Business looks to the Pacific here. They know that's where the real growth is going to be in the 21st century. With Europe uniting, they'll have everything they need, whereas Asia..." His voice trailed off. "Did you know there are a hundred million middle-class people in India?" he asked me.

In rethinking my own Pacific journey, I have tried to understand why we in the United States have become so receptive to the vague goal of a Pacific Century. We have, I think, partly because of West Coast enthusiasm and partly because of our anxieties about economic decline and competitiveness. Partly, too, we yearn for the stability of clearly defined regions in a time of unnerving change, when the very notion of national sovereignty is coming under sharp challenge. But I also believe we are now in a bit of a typically American muddle.

Large numbers of articulate Americans now pretend that they do not, after all, inhabit a relatively new settler nation that owes its creation and abiding temperament to European expansion and European ideas. Like it or not, in public discourse, in attitudes to authority, or in notions of aesthetic appreciation and justice, we are still children of the Occident. And that is just as true of Australia, Canada, and New Zealand, where similar soul-searching is going on. (In more complicated ways, Latin American nations are having to find their own identities in relation to the Old World; few, if any, see the solution to their search in the Pacific horizon.)

Ultimately, I find, in my own journey home, a uniqueness to America that I would not like to see lost. Our urge to dip into the Pacific Basin is, after all, rather an old idea, driven by the dynamic of westward expansion and Manifest Destiny. But to discard the "Atlantic" and to embrace instead the "Pacific" results only in further

misunderstanding about our special place in the world. As Daniel Hamilton and I recently argued in the *Washington Quarterly*:

[T]remendous possibilities of leverage await the United States: Despite talk of U.S. decline, the nation remains the principal partner for both Europe and Japan. It retains better ties with each than they do with each other. Americans find themselves courted by Europeans to join an "Alliance of the Occident" against the economically menacing Orient. At the same time, the Japanese and Northeast Asians talk about *Nichibei*, or a type of condominium in association with the United States that will dominate the world economy. Either way, the broker is being wooed.

The broker should continue to keep his distance from both suitors. If we are primarily Western in outlook, we are Westerners who can turn our national visage in more directions than any other Western country. But it is quite enough for us to recognize East Asia's competitive challenge, to learn from it what we can, and to do our best to encourage the security and prosperity of the Pacific nations; we need not buy into the notion of the Pacific region as our salvation and future.

Placing too much credence in the Pacific Century could even distract us from addressing problems at home—rebuilding our infrastructure, educating our young, retraining our workforce, paying off our huge national debt. (Is it really wise to keep expecting the Japanese to underwrite the U.S. deficit?) Basin fever could also interfere with efforts to forge regional ties with our closer neighbors to the north and south. It would be foolish indeed, for the sake of a dawning Pacific Century, to abandon the idea of a new American Century, in a more inclusive, continental sense of the phrase.

By all means, applaud the Pacific momentum, but steer clear of the propaganda.