I. By presenting my personal view on some of strategic issues in East Asia not strictly in military terms but in a broader sense, I hope to contribute, however modestly, to our discussions on Political Governance. Indeed, while the world focuses its attention on the explosive situations in the Middle East and West Asia, among others, the East Asian region is undergoing a quiet but strategic transformation which could affect the world security outlook in the medium term, and which needs to be taken into account when we discuss global governance.

II. (1) The predominant feature of Asia during the Cold War was that, unlike Europe, which was under a bipolar US versus USSR confrontation, Asia had a tripolar structure, with the addition of China as a regional power.

During this period, there were four international armed conflicts having strategic implications. These were the Korean War in which the US and China fought, the Vietnam War between the US and Vietnam, the Sino-Soviet armed conflict, and Vietnam’s invasion of Cambodia as well as the resulting Chinese invasion of Vietnam. With the recognition that China was involved directly or indirectly in all of these conflicts, what can be understood is that one of the strategic themes of post-World War II Asia was always how to position China within the international community.

(2) Meanwhile, after the painful experience of the Vietnam War, the US shifted to a strategy of maintaining stability in the region while exerting its own influence in maritime East Asia through the presence of its Seventh Fleet and security agreements with Japan, the Republic of Korea, and Australia. There can be no mistake that the US’s offshore military presence constituted the background for the development of ASEAN and regional cooperation.

(3) Now, considering the current strategic picture in the region, I would like to mention two points regarding changes that have taken place in Asia since the end of the Cold War, and more particularly in the context of ongoing globalization. I want to add that the region’s security problems of the traditional type, namely the Taiwan problem, the division between North and South Korea and North Korea nuclear development remain either potentially explosive, or need to be addressed urgently. Nevertheless, in my remarks today, I wish to focus on the following strategic changes related to the post-Cold War Era.

(a) The first point is that China, once a regional power, has now become a global power. Furthermore, India, another emerging power, has also begun to influence the East Asian security picture. Meanwhile, there were certain decline in the influence held in the region by the Soviet
Union’s successor, Russia, in the aftermath of the Cold War, although it has been restoring its presence in the western Pacific in recent years through the military capabilities and the economic development in Siberia. China is expected to shortly surpass Japan to become the world’s second-largest economy after the United States. China has not only bolstered its economic strength; it continues to build up might in terms of militarily power, provision of assistance to foreign countries, as well as in every other aspect of external affairs.

A certain scholar once said, “When a new power rises, a realignment in international relations takes place inevitably in the surrounding region.” Nineteenth century France under Napoleon and Germany under Bismarck are good examples of this in modern-day Europe, as is present-day China. There has been any number of debates to date on the global implications of the rise of China, and yet outside of the region it is not well known what outcomes have emerged as a result of the rise of China and India in the East Asian theater. I consider the outcome to have been “a search for a new strategic equilibrium.” How will the presence of the US as a stabilizer for the region come into equilibrium with the strength of emerging powers, and give shape to this new equilibrium? What roles will be played by Japan, which continues to have substantial influence in the region, as well as by other Asian countries and also by Australia? These questions are what I consider to be the essence of East Asian security. If we fail to achieve this equilibrium, the outcome could be profoundly destabilizing.

(b) Secondly, it is necessary to touch upon the process of regional integration. In East Asia, currently 55% of the entire trade volume of the ten ASEAN countries plus Japan, China, and the Republic of Korea is conducted intra-regionally. In the EU, for example, the equivalent figure stands at 62%. If we consider that in East Asia, regional institutions akin to those of the EU are still only in a rudimentary stage, this figure is striking. It can be said that in East Asia, intra-regional economic exchanges resulting primarily from the development of manufacturing networks across national borders have overtaken the speed at which institutions for regional integration have been created. What we are seeing in the region now is a case of politics trying to catch up with economics. There have been various attempts in the past several years to shape the regional economic integration process politically. The main issue here is what kind of East Asian community we wish to see in the future. There are many points to be discussed on this topic; I will mention today only one which is directly related to the regions strategic perspective, that is which countries should be included in the regional integration process. This concerns the questions of what kind of “new equilibrium” should be established in the region against the backdrop of China’s rising power. There are roughly three lines of thinking in this regard.

The first, favored by China, is that the ASEAN 10 countries and Japan, China, and the Republic of Korea should be the main vehicle for a future East Asia community. The second line of thought is that India, Australia, and New Zealand should be included in this process. Japan favored this enlarged group (ASEAN 10 countries + 6) in the heated discussions which had taken place during the preparation period of the first East Asian Summit held in 2005, as it believed that this approach could better ensure a market economy, democracy, and openness by including more countries that adhere to these values. While the summit process now counts 16 countries as its members, it
continues to coexist with several alternative forums, meaning that the question of which countries are to be included in a future East Asian community has yet to be resolved.

The third line of thinking is that any important regional grouping of this kind should include the United States. Thus far the US has favored the forum of APEC (Asia Pacific Economic Cooperation Conference), which aims at loose regional cooperation that broadly encompasses the countries of Asia and the Pacific including some in the American continents, while playing a crucial role for stability in East Asia through its off-shore military presence. However, as East Asian regional integration progresses, it would not be surprising if within the US the debate intensifies with regard to a deeper involvement in this regional cooperation. Discussions on a US direct involvement in the process may turn out to be profoundly divisive among East Asian countries as it may transform entirely the nature of regional integration.

III. Having touched upon some points related to security in East Asia in a broad sense, I would like to mention several elements, simple observation to be considered in the discussion on global governance.

(1) My first observation is that the regional and global governance are inseparably interconnected. What kind of regional system we shape will profoundly affect the international community as a whole, and on the other hand what we do globally affect entire regions. I mentioned earlier that East Asia is in search of a “new strategic equilibrium”. The achievement of a proper regional equilibrium would not be possible without having the emerging powers solidly in a global cooperative system.

(2) The second is the importance of the UN Security Council reform as stressed by many colleagues yesterday. The rising importance of the emerging economies has been recognized against the backdrop of the economic and financial crisis occurring since last autumn. It can be said that the architecture for managing the international economy is beginning to adapt to the new realities of this globalized era, as is shown by the fact that at the Pittsburgh Summit the G20 designated itself as the “premier forum for international economic cooperation.”

I believe that G8 can remain an important forum to discuss some of political and security issues as Russian Sherpa said yesterday, Mr. Levitte said that G8 sherpas will discuss this problem tonight in Rome. but nothing is more important than the reform of the United Nations Security Council, the paramount entity for political and security governance. Unfortunately, it has essentially undergone no changes since the end of the Second World War, giving rise to questions about its legitimacy. There has been no new momentum forthcoming for Security Council reform since a setback was dealt to the G4 draft resolution proposed by India, Brazil, Japan, and Germany. It is time to restructure it, particularly as regions in the world should be better represented in global deliberation.

(3) My third point is perhaps entirely self-evident. This is the importance of people involved in policy decision-making understanding various regional situations and grasping these in
comprehensive terms. I should like to point out that an issue-based approach is fraught with various risks. For example, approaches geared entirely towards human rights, democratization, economic benefits or weapons exports harbor the potential to destabilize regional affairs.

From that perspective I would like to emphasize the critical nature of interregional dialogues not only at the government level but also among academia, economic and business circles, and NGOs. For example a further invigoration of ASEM—the Asia-Europe Meeting—or AMED—the Asia-Middle East Dialogue—is desirable, as is having a broader and more cross-sectoral range of people and institutions participate in them.