# The Heritage Lectures

30

## The U.S. and East Asia Problems and Dilemmas For the 1980s

by John F. Copper





The Heritage Foundation is one of the country's leading public policy research institutes. With offices just two blocks from the United States Capitol, The Heritage Foundation's research and studies programs are designed to make the voices of responsible conservatism heard in Washington, D.C., throughout the

United States, and in the capitals of the world.

The key to Heritage's research effort is timeliness—providing the policy-making community with up-to-date research on the important issues of the day. Heritage publishes its findings in a variety of formats for the benefit of decision makers, the media, the academic community, businessmen, and the public at large. Over the past five years The Heritage Foundation has published more than 400 books, monographs, and studies, ranging in size from the 1,093-page government blueprint, Mandate for Leadership: Policy Management in a Conservative Administration, to more frequent "Critical Issues" monographs and the topical "Backgrounders" and "Issue Bulletins" of a few thousand words. Heritage's other regular publications include National Security Record, Policy Digest, Education Update, and Policy Review, a quarterly journal of analysis and opinion.

The Heritage Foundation's 100-member staff—which includes several internationally recognized scholars and former government officials—concentrates on four areas of general study: domestic and economic policy; foreign policy and defense; the United Nations; and Asian studies. With some 1,600 individual scholars and research organizations working with its Resource Bank, The Heritage Foundation is uniquely equipped to provide U.S. policy makers with the intellectual resources needed to guide America into the 21st century.

In addition to the printed word, Heritage regularly brings together national and international opinion leaders and policy makers to discuss issues and ideas in a variety of formal and informal settings. Through a continuing series of seminars, lectures, debates, and briefings, The Heritage Foundation provides a forum for the exchange of ideas and a laboratory for developing these ideas into

practical public policy proposals.

The Heritage Foundation was established in 1973 as a nonpartisan, tax-exempt policy research institute dedicated to the principles of free competitive enterprise, limited government, individual liberty, and a strong national defense. Heritage is classified as a Section 501(c)(3) organization under the Internal Revenue Code of 1954, and is recognized as a publicly supported organization described in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. Individuals, corporations, companies, associations, and foundations are eligible to support the work of The Heritage Foundation through tax-deductible gifts.

## The U.S. and East Asia Problems and Dilemmas For the 1980s

by John F. Copper

John F. Copper is director of the Asian Studies Center of the Heritage Foundation. Prior to joining Heritage, he was associate professor of international studies at Southwestern University. He is the author of four books and has contributed to many others.

#### The U.S. and East Asia: Problems and Dilemmas for the 1980s JOHN E COPPER\*

One American scholar recently pointed out that the non-communist nations of the Asia-Pacific region have experienced significant economic growth for more than a decade, and have witnessed unprecedented political stability. Meanwhile, the communist nations of the region are fighting among themselves. Thus, he concluded, East Asia is a region where the United States faces no serious problems—unlike the situation in most of the rest of the world.

The reasons for such optimism are not wrong. However, the conclusion may be. We must keep in mind that the U.S. has fought three wars in Asia in the past 40 years. The last one we lost—the only defeat in war in U.S. history. The U.S. has fought no other "wars" anywhere in this generation.

Asia is an area of vast differences: Almost all of the people in the Western Hemisphere, Europe, and the Middle East speak languages of the same family—the Indo-European language family. Chinese and Japanese are not in the same language family. Religion in the West comes from a common origin. There is nothing of common origin in Buddhism, Confucianism or Shintoism. Asia is also an area where causes of conflict abound: undefined national borders, overlapping claims to ocean space where oil and other resources lay, ethnic and historical hatred, population density and growth imbalance, and vast differences in resource and wealth endowments.

The U.S. cannot avoid the region's problems. Asia's population is half of the world. The Soviet Union's military buildup in Asia over the past decade and a half has been more pronounced than anywhere else. Hostile communist nations—the Soviet Union and China—face each other armed with nuclear weapons. Economic growth among the non-communist market economies of Asia will make the Pacific Basin the dynamic region of the world in the next century. There will be intense competition among Asian nations for trade and markets, while nations outside will covet what the successful have accomplished.

<sup>\*</sup>John F. Copper is director of the Asian Studies Center of The Heritage Foundation. He spoke at the National Journalism Center, Washington, D.C., on October 25, 1983.

East Asia will challenge the U.S. in still another way. Western democracy is the accepted political ideology or form of government in only 20 percent of the world. In a few years it will be noticeably less than 20 percent. Asian democracy—or perhaps better put, the Asian political model—may soon appeal to Third World leaders more than Western democracy. It has proven itself in terms of economic growth, political stability, low crime rates, and in the general welfare of the societies where it has been applied.

Having said this, I would like to assess the situation in the Western Pacific in three realms: security, political and economic. In each case I will attempt to delineate the most important problems the U.S. faces, while offering some prescriptions for dealing with each, and noting where the U.S. may go wrong.

\* \* \* \*

Since the mid-1960s, the Soviet Union has run away with the arms race. It has built new weapons and weapons systems frantically. Meanwhile, during the same period, the U.S. reduced its defense spending. In the 1970s it was clear that this should be redressed; but due to the public mood after the American defeat in Vietnam, it was impossible. This Soviet military expansion occurred more in Asia than anywhere else—the region of the world where the U.S. military withdrawal was most pronounced.

Thus, Soviet military influence became paramount in Asia. Soviet naval strength was particularly destabilizing because the Soviet Union had never been a naval power, nor had it ever been an Asian power.

The downing recently of Korean Airlines Flight 007 poignantly underscores the presence of the Soviet Union's forces in the Far East and how important they are to Moscow's Asian policy. The plane passed near the Soviet's most vulnerable strategic naval base on the Kamchatka Peninsula, and near the Kremlin's newest strategic weapons sites on Sakhalin Island.

A similar situation obtains in Southeast Asia. The Soviet navy and air force now operate out of bases in Vietnam. Da Nang and Cam Ranh Bay are the most important. They are excellent bases—bases which the U.S. improved and used during the Vietnam War. Vietnam, Laos, and Kampuchea are all under strong Soviet influence. They may be said to be in the Soviet camp. In response to Moscow's protege, Hanoi, the Association of Southeast Asian Nations (ASEAN)—comprised of the Philippines, Malaysia, Singapore, Thailand, and Indonesia—has become a significant regional organization.

The U.S. also has reacted. In order to come to grips with the Soviet threat, Washington has aligned with the People's Republic of China (called playing the "China card"), put pressure on Japan to rearm and take additional defense responsibilities, and encouraged ASEAN to defend Southeast Asia in tandem with the People's Republic of China. The process began with the Nixon Administration and has been continued by succeeding Presidents.

This grand strategy carries with it a number of problems and difficulties. First, our erstwhile arch-enemy, China, has become our friend and ally, notwithstanding the fact that China is still a communist country. America's traditional non-communist friends and allies in Asia have had considerable difficulty accepting this—and still do. The U.S. continues to face dilemmas in treating China as something other than a communist nation. China, as well, is experiencing difficulties playing the role of an ally of the West. Indeed, opponents of Deng Xiaoping oppose Westernization and close ties with the U.S.

The alignment with Beijing has also had the effect of tying China to Japan and to ASEAN in what Chinese leaders called a "united front" against the "hegemonist" Soviet Union. Japan was reluctant to be drawn into an alliance with China against the Soviet Union, and Tokyo remains apprehensive. At least two of the five ASEAN nations fear China more than Vietnam and are thus uneasy about the relationship. Finally, the U.S. has had to rely upon China to take the initiative in providing arms to anti-Vietnamese groups in Kampuchea, Laos and Vietnam because the U.S. public would not tolerate Washington doing so itself. This gives Beijing leverage over U.S. foreign policy decisions.

This grand strategy of aligning with China has been interpreted by many to mean that the U.S. is reconsidering or downplaying Japan's role as America's first and most important ally in Asia. A "China first" stance has to some extent replaced our "Japan first" view. Or so it has appeared. Since the U.S. has never been aligned with Japan and China at the same time, and since in a united front "coalition" one of the partners must be considered more valuable than the other, the U.S. appears—at least during the Carter Administration—to have tilted toward China. It should be added that bureaucratic interests in the U.S. foreign policy decision-making organizations make it difficult not to favor one nation or the other.

Abandoning the "Japan first" policy was wrong for a variety of reasons. The United States cannot afford to turn China into a military power of such magnitude as to be capable of offsetting the Soviet Union's military growth. Pentagon experts put the cost at between \$50 to \$60 billion—clearly an amount we cannot afford. China, moreover, remains only a

friend, perhaps only a temporary friend at that. And the U.S. must be concerned about a Sino-Soviet rapprochement. In this connection, it is interesting that the left in the U.S. used to argue that the Sino-Soviet rift was real and that communism, therefore, should not be regarded as monolithic. Now the left tells us that some momentum in U.S.-China relations must be maintained lest Beijing patch up its differences with the Kremlin.

Some observers have proposed a scenario of losing Japan instead of China to the Soviet Union. Should China rejoin the Soviet orbit, it would simply be a return to the global politics of the 1950s. China's global influence has not increased much since that time. China is still clearly only a regional power. Hence, one might say that as the U.S. survived the global balance of forces in the 1950s, it can again, even though the world situation is quite different now. Moreover, China's economic development plans would have to be scrapped if it were to rejoin the Soviet bloc; the Kremlin has in recent years taken on so many more burdens, it cannot afford to help China as well.

In contrast, Japan could provide Moscow with the capital and technology it needs to develop the eastern part of the Soviet Union. More important, a "partnership" with Japan would allow the Soviet Union to project its military power more effectively in Asia. At the present time Japan blocks the projection of Soviet military power into the Pacific. The projection of Moscow's military power is clearly of more concern than how many of its ground divisions are stationed in the eastern part of the country on the Sino-Soviet border.

The alignment with Beijing has also placed the U.S. in the curious position of trying to sweep the Taiwan problem under the rug. In promoting the alignment with China one step further, President Carter in 1978 announced the termination of the defense pact with the Republic of China—the only time in the post-war period the U.S. has repudiated a defense agreement with an ally. And it was with an ally that was loyal. This evoked the question: What is the U.S. to do if Beijing decides to take Taiwan by military force? It is easily capable of conquering the island, though Taiwan will certainly defend itself. An invasion would probably not end for a month or so and only after two or three million casualties. This would be the worst of all situations for the U.S. Yet the use of force against Taiwan is something Beijing talks about and refuses to disavow no matter what the U.S. does.

Turning to Southeast Asia, the ASEAN nations feel that the U.S. is pushing them into an alliance with China that is not in their long-term interest. They perceive that Beijing is too rigid in its position toward

Vietnam. Hence, the Kampuchea problem cannot be resolved short of war if they remain locked into an alliance with China. They would prefer more flexibility, perhaps a negotiated settlement; and so they advise the U.S.

A preferred strategy would be for the U.S. to rebuild its military strength in Asia, especially its naval and air strength. In fact, the Reagan Administration is doing this. As America's military strength is increased and the Vietnam syndrome passes, as it has already to a great extent, the U.S. should rethink its Asian strategy. In so doing, China should be regarded as a friendly nation not in conflict with the U.S., and as a nation that is basically not friendly with the Soviet Union. However, the U.S. must remember that it cannot control Sino-Soviet relations. The record so far indicates that Moscow's reaction to our use of the China card has not been the reaction we have sought. And it should be no surprise if Beijing seeks rapprochement with the Kremlin when it is in its interest to do so. The bottom line is: China should not be regarded as an ally of the U.S. directly or in concert with Japan and ASEAN.

As U.S. military strength increases, its defense commitment to Japan and ASEAN should be further underscored. Japan can be persuaded to defend itself and the sealanes around it; but this will take time. Recently, Japan clearly defined the Soviet Union as a threat to Japan. Also, Japanese leaders have for the first time mentioned collective security in coping with Soviet military power. Similarly ASEAN would like the U.S. to play a bigger military role in Southeast Asia and not follow China in the Indochina conflict. The ASEAN nations regard this as not only desirable, but logical, in view of America's status as a world power. And this is not just empty talk; ASEAN is prepared to support the U.S. in tangible ways.

\* \* \* \*

Turning to the political situation in the Asia-Pacific area, the U.S. faces many serious challenges both to our foreign policy and to our perception of ourselves.

After its defeat in Vietnam, America chose to cope by the ostrich approach; we closed our eyes to what happened. We ignored the plight of our soldiers who fought bravely in Vietnam—perhaps more bravely than in any other war, since, unlike those of other wars, those troops did not have the support of Americans at home and were cursed and viewed with condescension by many when they returned. What America did to its veterans has created a guilt complex in the U.S. I do not think anyone can deny this fact.

For almost a decade Americans tried to ignore even the mention of the

words Vietnam or Southeast Asia. This syndrome was reflected both in what we read and what we saw on television. Very little was published about Vietnam or Southeast Asia during the ten years after the war. Only recently has that changed.

Jimmy Carter tried to assuage America's Vietnam guilt with a human rights campaign—which he said was the "soul of American foreign policy." This proved a mistake of great magnitude. In the case of Asia, President Carter's human rights campaign conflicted with another basic American precept (perhaps an unwritten international law of the post-World War II period): that nations do not by force occupy or take territory from another. Thus, in 1978 after Vietnam invaded and occupied Cambodia, President Carter was forced to side with the government of Pol Pot. Pol Pot, by U.S. State Department calculations, had murdered around 30 percent of Cambodia's people.

Elsewhere in Asia, the U.S. suffered from a double standard problem in implementing its human rights policies. Attention was focused on violations in non-communist nations; communist nations, on the other hand, experienced more serious violations, yet lack of hard evidence resulted in down-playing their existence. South Korea has one of the least serious human rights problems among all non-Western nations, yet it became the Carter Administration's whipping boy. This inconsistency became another reason for Asian nations to question Washington's ability to play the needed role of world leader.

After Vietnam, much of Asia doubted the U.S. leadership role—which had been so well established after World War II—for fighting a self-restrained civil war for so many years and at such a cost. Asians believe that America, in a fit of self-destruction, disrupted the American political system for a year (much longer counting after-effects) by accusing its President of wrongdoing. In the Asian mind, communist or non-communist, East or Southeast Asia, this wrongdoing was something politicians do—in fact, are expected to do. Asians never understood Watergate.

There are many other things Asians have not understood about America. Asians have noted the growing minority position of "liberal democratic policies" in America. They wonder why the media, which are supposed to represent the people, have become so unrepresentative. They have also wondered how liberalism, now a minority view, can survive in a democracy. Asians became more and more skeptical of liberal democracy—thinking liberalism and democracy are contradictory. As a consequence, Asians have become less willing to regard Western democracy as a political model. They also question a political system that cannot control crime, engineer economic growth, and preserve social justice. And they

see the U.S. political system as operating in an inefficient, bureaucratic fashion.

Thus, the term "Asian democracy" has supplanted the term "liberal democracy" (which has the connotation of being outdated, perhaps authoritarian, and certainly inefficient) in the parlance of Asian politicians and the citizens of many non-communist Asian nations. Asian democracy avoids the problems of Western democracy.

It is in many ways an ill-defined or yet to be defined term. In other ways, however, it carries a clear and precise meaning. It refers to caring for the well-being of the country's citizens in the long run rather than satisfying their immediate desires or whims. It refers to consensus more than competition. It refers to political stability, which perforce means happiness, prosperity, and freedom from crime and insecurity. It does not mean individualism, the right to disrupt society or draw attention to oneself by histrionics or vulgar language against government officials.

It has also come to mean nationalism. It may mean a greater local control over the media, where Asian standards can be used as benchmarks to judge progress and right or wrong—as opposed to the "new imperialism" of the West where the media are controlled by a liberal minority and where they are not, at least in Asian eyes, democratic.

Asian democracy also means freedoms: to travel, to set up a business, to make money, to revere one's family, to have friends of one's own choosing. These rights do not exist in the communist nations of Asia, and by negative example they also define "Asian democracy."

An Asian recently pointed out to me that the majority of the people in Asia and the rest of the world strongly identify political development with economic growth. He suggested that to the majority of the world, the paramount criterion for judging a political system to be good or bad, democratic or undemocratic, is its ability to provide for the welfare of its citizens. He then noted that Singapore's economy during the last two years (1981 and 1982) grew at a rate 200 times that of the U.S.\* Shouldn't its political system, he concluded, be regarded as superior to America's? He also pointed out that nearly all of the non-communist Asian nations for two or three decades have been outpacing America's economic growth. It is unlikely they did this without having experienced political modernization either before or during their economic growth.

<sup>\*</sup>It should be noted, of course, that U.S. economic growth during one of these years was negative and that total growth during the two-year period was one-tenth of one percent. But Singapore's economic growth has been several times ours for 30 years.

The United States, I think, must also realize that if an egalitarian prescription is applied worldwide—as liberal democracy advocates—"Asian democracy" or communism should be the world's standard, since these systems are accepted by more people. To Asians, the West clearly no longer has the right to proclaim superiority in terms of political philosophy or even political systems. And since communism is patently unsuccessful in providing for the welfare of its citizens—as even China's leaders admit—"Asian democracy" remains the preferred system.

We in the West may be quick to manifest skepticism toward Asian democracy, assuming Asian systems are based upon historical despotism and therefore now have a penchant for authoritarianism. In fact, Asia's political history is mixed: China was a bureaucratic system; Japan's was feudal. Other Asian nations evolved from theocracy or tribalism. Thus, there is no Asian proclivity toward any political system.

Today, Asia has to choose between political modernization Westernstyle (which incidentally means both liberal democracy and communism) or development along their own lines (Asian democracy). Americans must understand this if we are to have a good relationship with Asia in coming decades. We must sympathize with Asian political outlooks and try to learn from them. Above all, we should realize that the conservative trend in American and Asian democracy has much in common. Asians have copied—and are still copying—what we once had politically and what made us great.

\* \* \* \*

The free enterprise, capitalist nations of East and Southeast Asia have experienced phenomenal, sustained economic growth over the past 20 to 30 years. Looking a short step into the future, there will soon be no more Third World nations in East or Southeast Asia. (Communist nations are defined as "Second World.") In contrast, most of the poor nations of Africa, Latin America, the Middle East and South Asia are likely to remain poor.

Japan is a special case in point. It was the first to succeed. And it has succeeded to the point that its economic size, measured in gross national product, has made it the second largest nation in the world—second only to the U.S. Some even predict it will outrank the U.S. by the end of the century. Japan builds the biggest ships, the fastest trains (France has just put into operation the world's fastest, but when a Japanese train already tested is put into service, Japan will regain the lead), the thinnest watch, the best cars. Japan produces more top grade steel than any other nation in the world. It dominates the entire world in the production of electron-

ics, communications equipment, robots, and many other advanced products. It may soon take over the semiconductor industry, and perhaps even the computer industry.

Japan is a model for the rest of the world. Its management techniques, management-labor relations, government-business relations, social welfare system, and taxation system are emulated by other countries on every continent that once looked to the U.S. as a model.

It should be pointed out that Japan accomplished what it did essentially by practicing Reaganomics: keeping taxes down and the government portion of the gross national product low, minimizing red tape, keeping savings up (during the Carter Administration the rate of savings in the U.S. fell below 2 percent of household income, while in Japan at the same time it was around 25 percent), minimizing social welfare payments (in Japan this responsibility belongs mainly to the individual, the family and the company), and by providing economic opportunities. During the recent recession, Japan practiced more Reaganomics: by further cutting taxes and government spending. Japan also has experience with large budget deficits: they have not caused interest rates to go up too high nor have they stifled growth. This doesn't happen when personal savings are high, or so the Japanese experience would suggest.

Other Asian nations are following Japan and are doing the same thing. Four nations have been labeled facetiously the "Gang of Four" based upon their success in engineering economic growth in recent years: South Korea, the Republic of China (Taiwan), Hong Kong (technically a colony), and Singapore. They, in fact, are the only nations in the world that, without exporting natural resources, have attained double digit growth rates over a sustained period—meaning a decade or more.

But the other market economies of East and Southeast Asia have also done well; by comparison, they are simply not defined as miracles—or not yet. The Philippines, which has had the lowest rate of economic growth—about 6 percent annually during the 1970s—still grew at a pace far above that of the U.S., Western Europe or the communist-bloc countries.

The result of this success magnifies the difference between the free market, capitalist, trading nations of Asia and the communist nations of the region. North Korea, which has most of the natural resources on the peninsula and half the population burden of South Korea, recently ordered its diplomats abroad to engage in black marketing to acquire needed foreign exchange. Vietnam's economy is in such dire straits that its people are suffering from insufficient caloric intake, even though multitudes have fled the country and the land grows rice easily. Kampuchea has the same problem, even though Pol Pot wiped out a third of the

population and many more have been killed in the ravages of war or have starved to death since Pol Pot's eviction by Hanoi. The situation in Laos is only slightly better.

The economic situation in the People's Republic of China is better primarily because of its capitalist-style modernization program. Chinese leaders now espouse many of the tenets of free market capitalism and emphasize trade—precisely the means used by the non-communist nations of Asia to make them so successful economically. In short, Beijing is following the models of Japan and the "Gang of Four." Beijing has also benefited from Western economic "assistance." It is the largest recipient anywhere of Japanese financial grants and credits. It has benefited from billions of dollars of U.S. finance and investment and technology. It has also received aid from the United Nations and other international organizations. China may soon challenge India as the world's number one recipient of foreign aid.

But in China's case there are two unanswered questions. Taiwan, which is giving aid rather than receiving it, has one of the most serious population density problems in the world and virtually no natural resources, is still doing much better. Perhaps China has not gone far enough in changing its system. Yet, adopting capitalism has engendered problems for China. It has given rise to a rash of economic crimes, which the government has tried to stop by means of public mass executions. Fortunately for U.S.-China relations, the media in the U.S. and other Western nations have chosen not to make an issue of China using the death sentence for embezzlement, rape, and some other offenses not classified as capital offenses in the West. Were the same thing to happen in Taiwan or South Korea, the liberal media in the U.S. and Europe would unhesitatingly criticize these governments. China's capitalist modernization has also undermined the authority of the Communist Party-whose responsibility it is to plan economic growth. Capitalist growth is not so planned. In this context, Chinese have asked: What is the importance of the Party? China's modernization plans have also hurt the morale of the military, an important political force in China. Young men and women now have better opportunities in the free economy and are not attracted to a military career as they were under Mao.

Non-communist Asia's experience perhaps should set an example for the U.S. regarding economic management during the time of recession. It is evident from the experience of the Western Pacific region that communism and socialism have little to offer. Capitalism of several varieties has succeeded. The most successful have used the market forces, have kept government controls minimal, and have geared their economics to international trade.

Another important issue is competition. For the United States the success of the free market, capitalist countries of Asia means competition. With Japan, the U.S. already experiences a yearly trade deficit of somewhere in the vicinity of \$20 billion. It approached \$20 billion in 1981 and dropped to \$14 billion in 1982, only due to the recession in the U.S. It has increased with recovery and will probably be around \$20 billion in 1983. The problem is less serious with other capitalist Asian nations, but it will worsen in the future unless the U.S. acts to put its own house in order and improve productivity by making Reaganomics work.

The alternative is for the U.S. to close its markets with tariffs, quotas, and domestic content legislation. History and good sense should indicate that this kind of solution cannot seriously be considered. If the U.S. shields and isolates itself economically, it will also do so in other ways: culture, ideas, inventions, and motivation. It may drag the world into a depression in the process.

Thus, America must compete. But given the strength of narrow special interests in the U.S., the influence of do-gooder welfarism and the advocacy of forced egalitarianism, all of which has resulted in slothfulness, low productivity, little concern about quality control, and the growth of big brother and a welfare state, can we? The answer is that we must; the alternative is too awful.

\* \* \* \*

In conclusion, I would like to offer some special prescriptions for America's Asia-Pacific problems.

First, the U.S. must rebuild its military strength in Asia. The Soviet threat there is more serious, more immediate, and more destabilizing than anywhere else in terms of U.S. interests—both economic and security. The U.S. must overcome the Vietnam syndrome and realize the close relationship between military strength and political and economic leadership.

Second, we should assume that the Sino-Soviet dispute is real and is likely to continue to be a factor influencing U.S. Asia policy in the future. It is not, however, something the U.S. can control. It started by itself. Maintaining "steadily improving relations" (to cite an often used phrase) with the People's Republic of China will not prevent it from rejoining the Soviet camp at an opportune time. We cannot "steadily improve" relations with any nation over a long period of time.

Third, the U.S. must pursue a "Japan first" policy. Japan is this nation's most important ally in Asia. We must take full cognizance of this.

Making Japan a scapegoat for U.S. economic failures and unemployment must be avoided at all costs. Unemployment has become worse with each business downturn because of the increasing size of the public sector and our lack of competitiveness abroad. Labor and the advocates of large government spending have been unwilling to face the reality that the U.S. economy is linked to the international economy and that America must compete or become isolationist. Competition requires doing what we used to do and what Japan is doing now, rather than blaming someone else.

Japan "busting" will be an attractive campaign item in 1984 for Democrats in areas where there is high unemployment caused by problems in the auto industry or the steel industry. Racial slurs have already been hurled at the Japanese by some of our representatives in Congress. This is a national disgrace. It is also patently obvious that these same Congressmen would not use ethnic or racial terms of derision toward other groups. Why is it alright to malign the Japanese?

Fourth, the U.S. must get its economy moving. Non-competitiveness ultimately will force the U.S. to hide behind economic barriers. The only alternative is to encourage competition at home and exporting abroad: not human rights, but goods and services. Only by cutting government red tape and taxes and by working harder will our exports be competitive, and our economy dynamic.

Fifth, the U.S. must accept the reality of political development in Asia. To Asians, U.S. liberal democracy is no longer a model. Liberal ideals are alien to Asia and probably always will be. By American standards, Asians—like most of the world—are basically conservative. Big government is seen as an obstacle to freedom and prosperity. Asians also have a definition of free speech, free press, and fairness relative to both that we need to explore.

Sixth, the difference between capitalism and communism is accentuated in Asia. The U.S. must favor the capitalist nations. They deserve it. Their human rights records are better. Their economic development is faster and this promotes the welfare of the citizen (and human rights), and thus democracy. The communist nations of Asia are feuding among themselves. But while taking advantage of their tensions, the U.S. should not forget that it has much more in common with the capitalist nations of the region, and, when the chips are down, the latter are its friends.

Seventh, while talking about a one China policy, the U.S. cannot really mean it. Providing for Taiwan's defense vis-à-vis the People's Republic of China is just as important as protecting Japan from the Soviet Union or South Korea from North Korea. Doing otherwise would constitute the worse breach of faith possible in terms of our support of human rights,

freedom of choice, and international law. This is not to mention the fact that we might see several million people fleeing from communism to the U.S. or dying, or both, if the People's Republic of China invades Taiwan. That Taiwan belongs to the People's Republic of China is morally and legally stupid. It is a more dangerous myth than most because so many people believe it and do not care.

Eighth, 'Americans remain unfair and hypocritical toward Asians. Efficiency and productivity were never in the Japanese vocabulary until we taught them. Now we condemn them for these traits. We taught Asians democracy—the rule of the majority. Now we are telling them something else: minorities should have special rights and privileges. Recently Benigno Aquino, a Philippine citizen, was killed when he returned home. The media in the U.S. without evidence or logical argument convicted President Marcos. A few weeks later 17 South Koreans, most of them high officials in the Korean government, were killed in Burma. Korea's President barely escaped. In this case, the U.S. press was reluctant to accuse North Korea despite what seemed to many overwhelming circumstantial evidence. The leading U.S. news magazines and newspapers also devoted much more attention to the former tragic incident than the latter—in some cases with a discrepancy of more than fourfold.

The U.S. has a huge stake in the Western Pacific. Asia represents a challenge we must face. Our domestic well-being as well as our global position depend upon it. America's future in so many ways hinges on our relationship with the Asia-Pacific nations and its people. To ignore Asia—its culture, its achievements, and its needs—is to our extreme peril.

#### The Heritage Lectures

The Asia-Pacific region, containing half the world's population, presents both problems and challenges for the United States. The Soviet Union's military buildup in Asia over the last decade and a half, for example, has been more pronounced than anywhere else. Hostile communist nations—The Soviet Union and China face each other armed with nuclear weapons. On the other hand, economic growth among the non-communist market economies of Asia will make the Pacific Basin the dynamic region of the world in the next century.

John F. Copper, director of the Heritage Foundation's Asian Studies Center, examines the problems and dilemmas facing the U.S. in East Asia. He addresses the security, political, and economic realms and offers eight specific prescriptions for American policymakers.

The United States has a huge stake in Asia, he concludes. Its future in many ways hinges on its relationship with the nations and peoples of Asia. To ignore this would be a costly failure for the United States.

