9 A Japanese Perspective on the Pacific Rim in the 1990s
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At this time of revolutionary and historical change heralding the birth of a new world order, the common values which Australia and Japan share, as well as the common challenges which they will face in adjusting their mutual roles, will present these two countries with a golden opportunity to cement their constructive partnership in order to achieve their goals for growth and development in the twenty-first century. It is with such confidence that I hope to give you a glimpse of the Japanese perspective on the problems and issues facing the Asia–Pacific region.

Of all the many diverse countries in the region, Australia and Japan share a particularly strong and productive relationship. Japan’s relationship with Australia for most of the past 30 years has been dominated by bilateral trade issues, with the two economies developing a complementarity that promotes mutual advantage. Since 1970, Japan has been Australia’s major trading partner, with Australia emerging as Japan’s third biggest supplier of imports. And yet one of the early certainties being confirmed for us in this post-Cold War, post-Gulf War world is that the narrowness of a primarily bilateral relationship will no longer meet the changing needs and realities of increasingly global circumstances, which require a more multilateral structure.

In addition to being two key members of the Western alliance in this region, it would also be fair to say that Australia and Japan are the key engines of growth in the region’s northern and southern perimeters. Between them lies a region of developed and developing countries which is beginning to attract the more serious attention of the rest of the world. Defining this Asia–Pacific region will be a series of subregional economic partners founded on the indispensable principles of free trade, non-protectionism and democracy.

In 1989, Sosuke Uno, Japan’s foreign minister at the time, characterized the Australia–Japan relationship as a ‘constructive partnership’, a concept which captured the forward-looking approach of the two countries based on
positive cooperation, mutual respect, cultural appreciation and recognition of their mutual roles and contributions within their respective bilateral and regional frameworks. As Australia's partner in this regard, Japan is the first to commend the Australian commitment and foresight in promoting Asia-Pacific cooperation. Australia took the lead in 1974 as the first country to establish formal relations with ASEAN, and it was Australia's foresight in advocating non-discriminatory trade liberalization throughout the Pacific Rim which led to the creation of the APEC forum in 1989.

In the May 1991 meeting of the Australia-Japan Ministerial Committee, the notion of a constructive partnership was further delineated to embrace four key elements: first, cooperation in the further development and diversification of the bilateral relationship; second, cooperation in maintaining and strengthening a free and open world economic system through international trade; third, security, with particular emphasis on cooperation in securing peace and prosperity in the Asia-Pacific region; and fourth, the resolution of international problems requiring cooperation, particularly in the area of the environment. In security and strategic areas, as well as in economic terms and in the realm of international diplomacy, both Australia and Japan remain leading actors in the region, and closer cooperation through a strengthened partnership should be a priority for both countries in the 1990s.

TOWARDS A FREE AND OPEN WORLD ECONOMIC SYSTEM

From one perspective, the Asia-Pacific region is an area of substantial political, social, cultural and linguistic diversity, all of which limits the development of a thoroughly defined sense of common identity. Having said this, one can just as forcefully argue that because of its economic dynamism and its relatively complex internal economic linkages, the region has the potential of becoming a truly open and interacting economic arena.

Yet despite the potential and productivity inherent in this region's diversity, it is also a reality that such differences can be destabilizing, especially if too much is attempted too quickly. This word of caution is intended in no way to discourage the progress towards regional multilateralism which holds great hope for the future; rather it is merely to advocate an incremental approach that utilizes a series of already established bilateral relations as the building blocks of the region's economic and political stability in the 1990s.

In its relations with Australia, the ASEAN states, the Republic of Korea, and other nations of the region, it is important that Japan cooperates for