

Message from EWC President and Board of Governors Chairman

The year 2008 will be long remembered for two events: the worst economic downturn since the Great Depression and the election of the first minority president in the United States. Both are highly relevant to the East-West Center.

The economic crisis dramatically illustrates both the high level of interdependence and integration within the Asia Pacific region, including the United States, and the imperative of cooperative Asia Pacific leadership in addressing a global crisis. At the beginning of the crisis with the collapse of the subprime housing market in the United States, there was considerable discussion of a “decoupling” of the United States and East Asian economies, allowing East Asia to continue its growth trajectory and help the United States out of its growing recession. Very quickly, however, it became apparent that East Asia was being greatly affected by the sharp downturn in U.S. imports as U.S. consumption plunged and savings rose.

It also became obvious that no one country, including the United States, could stimulate its way into recovery without supportive actions from other major economies. Even more important, a sustainable economic recovery could not be achieved on the basis of simply restoring the pre-existing situation, with its enormous trans-Pacific trade and payments imbalances, themselves an underlying condition of the crisis.

In comparison to the Atlantic world, the Asia Pacific region has responded remarkably quickly and cooperatively to the crisis. China, Japan, and the United States have all had large stimulus packages, and have been active members of the G-20, the international group that has been the locus of international policy discussions. The East-West Center, through its involvement with the Pacific Economic Cooperation Council, has helped form an international task force of economists under the leadership of Non-resident Senior Fellow Peter Petri to monitor these efforts and conduct cooperative analysis that will help guide policymakers toward a healthy and sustainable recovery. Several of our other programs, including those for journalists and senior policymakers, have been oriented toward strengthening a common understanding of the dynamics of the crisis and the future policy measures needed at the national and international levels.



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The many facets of regionalization and globalization have reduced barriers of time and geography that once inhibited the spread of crises, whether economic, political, health, or environment related. The global interconnection of today's world places a premium on forward-looking analysis, building resilience, and establishing response capabilities. Much of the work of the East-West Center over many years has sought to make the Asia Pacific region less vulnerable to crises through anticipating problems and developing the human and leadership capacities and institutional networks needed to respond. As Prime Minister Manmohan Singh, whose first trip to the United States was for an East-West Center trade conference, has stated, this work of the East-West Center has become more critical than ever before.

It has been commonly noted that President Obama's original international experience was in Asia during the time he lived in Indonesia as a boy, and the Center actually played a direct role in this. Obama's mother, Ann Dunham, then a student at the University of Hawai'i, met her second husband, Lolo Soetoro, when he was studying as an East-West Center grantee. She and the young Obama accompanied Soetoro back to Indonesia at the end of his grant, leading to Obama's four childhood years in Indonesia and his mother's continuing passion for that country.

Dunham herself later received an East-West Center award for her Master's and Ph.D. work on Indonesia, and remained devoted to promoting an understanding of Indonesia and support for its disadvantaged population until her untimely death in 1995. After her death, the family held a small memorial service in the Center's Japanese garden. Through a special panel discussion at the Center's international alumni conference held in Bali this past November, we were proud once again to honor her legacy as a bridge, which continues through her son, between the United States and Asia.

In 2010, the East-West Center will be celebrating the 50th year anniversary of the Congressional legislation — offered by then Senate Majority Leader Lyndon Baines Johnson — that created the East-West Center as an institution to promote understanding and friendship in Asia and the Pacific through “cooperative study, training, and research.” We look back on many positive legacies, including indirectly the new U.S. President, and we anticipate the great many challenges as Asia Pacific becomes even more critical to the United States in a continually shrinking world.

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