

Observer

U.S. Secretary of State Condoleezza Rice and East-West Center President Charles E. Morrison (center) with members of the Pacific Islands Conference of Leaders.



Pacific Islands Leaders Convene in Washington D.C.

Rice Addresses How U.S.-Pacific Nations Can Work Together

Inside

Declining Birth Rates Raise Concerns in Asia
Page 3

China's Rise: Will It Trigger a Clash of Capitalism?
Page 5

Publications in Review
Page 6

Bangladesh-U.S. Counterterrorism Efforts Tied to Poverty, Trade Issues
Page 7

Commuters at High Risk of Exposure to Air Pollution in Asia
Page 7

The Pacific Islands Conference of Leaders, representing 20 Pacific nations and territories, convened for the first time in Washington, D.C., May 6 to 9. At the conclusion of the forum, the leaders agreed the gathering “establishes a way forward for strengthening U.S.-Pacific Islands relations.”

The 20 Island leaders, representing an area encompassing one-third of the globe, traveled to Washington “to broaden and deepen the Pacific Islands region’s

engagement with the United States.” The meeting, organized by the East-West Center, offered the leaders an opportunity to meet with key U.S. Congressional leaders and State Department officials.

U.S. Secretary of State Condoleezza Rice addressed the leaders at a session at the State Department, where discussions followed on how the United States can
continued on page 2

Managing the Changing Nature of U.S.-Asia Relations

Concerns about the growing influence of China, as well as Japan and India, have increased anxiety within Asia and outside the region. Yet these countries require good relations with the United States to emerge as major players, observes Satu Limaye, director of EWC Washington.

“We see in India the first tentative signs of cooperation,” he says. “China has significant disagreements with the United States, yet it desires a working relationship with us. Japan sees the importance of the U.S. as a trading partner, defense partner and a country with which it shares values.”

Limaye spoke at a public program at the East-West Center in May, sponsored by the Friends of the East-West Center, the East-West Center and the Pacific & Asian



Satu Limaye

Affairs Council. He had just come from meetings in Japan, Singapore and the Philippines.

“I can’t think of a time when the United States has had more wide-ranging and thicker relationships across the region, whether with Pakistan with all its complexities, India,

Southeast Asia or Northeast Asia,” he said, while acknowledging these relations are not problem-free.

continued on page 2

President of the Republic of the Marshall Islands Kessai Note and current chair of PICL addresses the assembly of leaders.



Pacific Islands Leaders

continued from page 1

The East-West Center Observer

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work with the Pacific Islands nations to promote closer political, economic and cultural ties. “The presence of all of these leaders . . . illustrates the fact that the United States has a special kinship with our Pacific neighbors,” she said. “We also have long-term ties with our friends in the Marshall Islands, Micronesia and Palau.

Rice called the meeting a key event in the “Year of the Pacific.” “You will hear this phrase many times this week,” she said, “but it encapsulates our efforts to expand our engagement with your countries and to reaffirm America’s historic role in the Pacific. Maintaining security and stability in the Pacific region is crucial to the interest of every country and every territory represented in this room, including the United States. Many of your countries face growing political, environmental and economic challenges and these are often compounded by other more long-term transnational threats. They pose profound threats to the Pacific Islands.

“In response to these challenges,” she said, “we are working together to chart a comprehensive approach, promoting opportunity and prosperity, good governance and the rule of law, greater peace and security.”

Managing the Changing Nature of U.S.-Asia Relations

continued from page 1

Limaye highlighted several challenges for U.S.-Asia relations, beginning with coordinating the competing policies emanating from Washington. “In dealing on multiple levels in multiple ways with different constituencies in Asia,” he said, “the calibration and coordination is going to be very difficult.”

Limaye also anticipates the rhetoric that accompanies adjustments in U.S.- Japan defense interests and the shaping of U.S.- India nuclear policy will increase the difficulty of managing expectations.

Contributing to this will be the changing nature of traditional alliances in the region. For example, he sees a strategic shift taking place to expand long-term U.S. bilateral alliances with Japan and Australia, and make them more regional, “to make alliances not just for defense, but instruments of security and strategic management.” He foresees resistance to the changes.

He also expects that managing various security approaches, because of the bilateral nature of our relationships will become more complicated with the creation of new regional organizations like the Shanghai Cooperation and East Asia Summit.

Lastly, Limaye cited a growing gap between what the public desires and what the governments advocate in Asian nations. “Public sentiment is quite negative

During the three-day meeting, a wide range of topics were covered, including economic development, security, trade, aid, environmental protection, climate change, fisheries and emergency responses to natural disasters. They also spoke of the desire to expand U.S. public diplomacy programs, especially of an educational and exchange nature.

In meetings with U.S. officials, Pacific leaders also discussed the relocation of some 8,000 U.S. troops from Okinawa to Guam and potential economic benefits to the region.

Another topic of great concern was the environment, especially climate change and global warming. Kessai Note, president of the Marshall Islands and current chair of the leaders’ group, noted the environment and rising sea levels is a “major security issue” for many of the low-lying island nations.

Tommy Remengesau Jr., president of the Republic of Palau, encouraged broad participation in “the Micronesian Challenge which promotes the establishment of marine protected areas throughout the Pacific Islands region.”

The Conference leadership agreed “it would be very useful to have similar high level meetings with the United States in the future.” They tasked the EWC Pacific Islands Development Program and other regional processes with ensuring “there is practical and appropriate follow-up to the issues raised this week in Washington.” Center officials agreed to continue to work with Pacific ambassadors based in the United States regarding these areas.

toward U.S. policies right now,” he said. “In Asia, there will be constraints as to how far governments may be able to move closer to the United States.”

These challenges make EWC Washington — which functions in a nonpartisan, non-advocacy role — of even more significance. “We can offer reasonable, neutral advice working with our Asian partners, that is useful to policymakers,” Limaye said. “We approach research and publications on a regional basis.”

‘Asia Matters for America’

Since his appointment early this year as EWC Washington director, Satu Limaye has introduced “Asia Matters for America,” a project that will look at how Asia is important to the United States by congressional districts and by state, in specific areas such as trade, employment and investment. “If we can show senators and congressmen how Asia is important, they will begin to refine the ways in which they think about policies, laws, legislation and relationships with Asia,” he said. “We are a place where people can come together to discuss issues and perspectives. We can be useful in building relations across the region.”

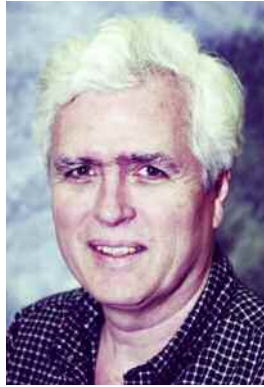
Declining Birth Rates Raise Concerns in Asia

Many Asians are living longer at the same time birth rates are falling, a demographic transition with important implications for economic growth and living standards in many countries in the region, especially in Northeast and East Asia.

Andrew Mason, EWC senior fellow and a professor of economics at the University of Hawai'i, points out that "Japan is now the oldest population in the world, but others are catching up." He notes that Singapore reports 1.2 births per woman. South Korea

has the lowest fertility rate in the world — slightly less than 1.1 births per woman. And China boasts an anemic birth rate of 1.6, and "will soon begin to experience rapid aging," he predicts. "Just how rapid is unknown and will depend in part on how quickly China moves to relax the one-child policy."

While policy decisions play a major role in the direction birth rates take in many countries, other significant factors are influencing this downward trend. Minja Kim Choe, EWC senior fellow and family and gender expert, says to understand the issue, especially in South Korea, a closer look must be taken at "attitudes on marriage, childbearing and gender roles," with economics playing a large role, too.



Andrew Mason

Major changes in South Korea

Her research reveals that the traditional Korean family system has undergone major changes with the industrialization and modernization of the country over the past few decades. "It is not surprising then," Choe says, "that women in modern Korea, who have a high level of education and, therefore, have the potential for economic independence, have developed non-traditional views on marriage and childbearing."

Choe says that studies found that an "increasing proportion of men and women view marriage as not necessary for a full and satisfying life." In fact, in a 2003 survey of Koreans of prime marriage age — between 20 and 34 — one-third of the women and one in six men had, what Choe calls, a "neutral attitude" on marriage. They believed marriage did not matter one way or the other.

Also Choe found that "the view that 'it is necessary to have children' has declined substantially." A trend, she says "suggests that an increasing proportion of women will be evaluating costs and benefits of having children vis-à-vis other options in life such as having more time for employment and other non-familial activities."



Minja Kim Choe

Aware of the faltering birth rate, the Korean government has advanced numerous policies in the past few years to attempt a solution, including improved maternity leave, childcare subsidies and "baby bonuses." But the effects "are likely to be short-lived at best," Choe believes. For a sustained reversal in the falling birth rate, she recommends "more long-range policies on improving economic conditions of young adults, reducing the cost of children's education and supporting egalitarian gender roles."

Dilemma for Japan

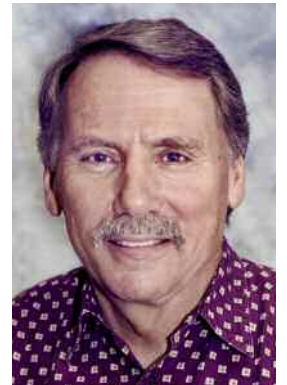
Another EWC population expert, Robert Retherford, has done extensive studies on similar problems in Japan, in collaboration with Nihon University's Population Research Institute in Tokyo. The EWC senior fellow and coordinator of the EWC program on Population and Health, says Japan faces potentially alarming consequences. "How Japan responds to these challenges could have a profound influence on health care, elderly care and economic growth in the decades ahead," he says.

"The present pattern of age-specific birth rates, if unchanged in the future, will eventually cause Japan's population to decline at a constant rate of 38 percent every 30 years," he warns.

Japan's largely unsuccessful attempts at reversing its "baby bust" have relied on providing subsidies for childbearing and encouraging employers to create policies conducive to raising families, including providing childcare leave, expansion of daycare centers and after-school programs. The problem, says Retherford, is these programs are very costly. "The danger in placing much of the burden on employers," he adds, "is that employers may avoid hiring women." The added costs could also lead the firms to "become less efficient and less competitive in the global economy."

Policymakers have to determine how to fill the maternity wards again, restructure the economy to make it more efficient and competitive and restructure society to be more marriage and child friendly without jeopardizing women's hard-won gains in education and employment. It's a dilemma for Tokyo, he acknowledges, "It won't be easy and it won't be cheap."

It's a dilemma facing more and more developing countries. "It's not just Japan," Retherford says, "a lot more countries are in the same boat."



Robert Retherford

News in Brief

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Center for Global Partnership, Japan Foundation

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U.S. Department of State

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EWC Foundation/ Hawaii Pacific Rim Society

Workshop for Khmer Rouge Trials in Cambodia

The Asian International Justice Initiative, a collaboration between the East-West Center and the War Crimes Studies Center at the University of California, Berkeley, held a week-long workshop in international criminal law for Cambodian lawyers in Phnom Penh in March. David Cohen, director of the Initiative, the War Crimes Studies Center and an EWC adjunct senior fellow, chaired the workshop. He was joined by a distinguished international faculty with significant experience at other national and international tribunals. Another workshop, for the Khmer Rouge trials' prosecution teams, will be conducted by the Asian International Justice Initiative in August. Funding for the workshop comes from a grant to the East-West Center from the British Embassy in Phnom Penh.

EWC Students Host East-West Fest

EWC students from 52 countries hosted the annual East-West Fest, a celebration of arts and culture, at the Center's Hawai'i Imin International Conference Center in April. This year's festival, titled "Unity Through Diversity," featured a taiko drum exhibition by EWC alumnus and renowned musician Kenny Endo, as well as performances by students, interactive exhibitions, games and food. The event is free and each year draws hundreds of families, supporters and alumni to the Center's campus in Honolulu.

Australian Foreign Minister Speaks at EWC

Australia's Foreign Minister Alexander Downer discussed foreign policy issues and Australia-U.S. relations at the East-West Center in late May. Downer assumed his post in 1996 and is Australia's longest serving foreign minister.



APLP fellows Bulgan Tsevegjav of Mongolia and Phuong Anh Nguyen and Thuan Le of Vietnam met with staff at The World Bank.

APLP Internships Make a Difference

EWC Asia Pacific Leadership Program fellows are applying their skills through APLP internships to the benefit of high-impact regional organizations, including the International Finance Corporation (a division of The World Bank), Brookings Institution and Credit Suisse Singapore. Through APLP internships, fellows are contributing expertise while learning from leaders in their fields.

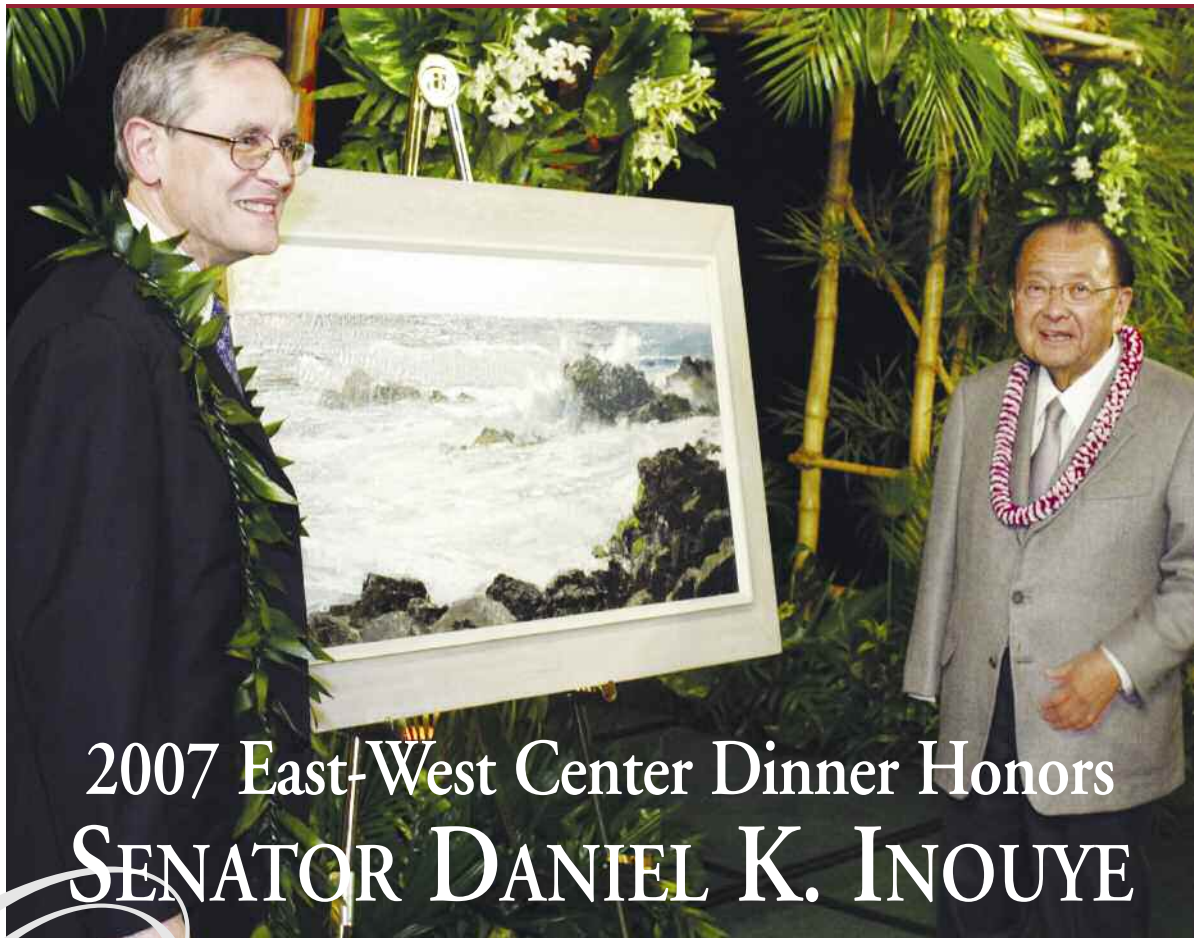
This year APLP Fellow Thuan Le impressed the leaders of the International Finance Corporation, where she recently interned as part of the APLP's Washington/New York Field Study program. Le works for an NGO in Vietnam dealing with human trafficking, violence against women and micro-credit programs. Amanda Ellis, director of the IFC's Gender Entrepreneurship Markets and an EWC alumna, gave Le high marks for her "sterling performance" and being a "diligent, thorough, quick learner." Her outstanding performance earned Le an offer of a one-year IFC consulting contract.

Another 2007 intern, Phuong Anh Nguyen, interned with Credit Suisse's newly created Philanthropy Committee and now has a full-time position. Usually on the asking side of fundraising in her work with NGOs in Ho Chi Minh City, Nguyen now helps the bank's Asia Pacific Philanthropy Committee give money away. Her internship supervisors say Nguyen has played a "key role" in defining the scope of the bank's new philanthropy committee.

While not guaranteed, host organizations often offer APLP fellows full-time positions at the conclusion of their internships. "They find APLP fellows unusual in their level of professional experience, commitment to learning and their desire to make a lasting impact," says APLP Director Nicholas Barker.

APLP fellows are carefully selected for the intensive nine-month program at the East-West Center that links advanced and interdisciplinary analysis of emerging regional issues with experiential leadership training. "The fellows are trained to exercise leadership and promote cooperation in a variety of cultural, geographical and institutional environments," explains Barker.

Charles Morrison presenting the seascape painting by Peter Hayward to Senator Inouye



2007 East-West Center Dinner Honors SENATOR DANIEL K. INOUE

Ka'upena Wong opening with an oli



Over nine hundred people attended this year's dinner, "The Magic of East & West," helping to raise more than \$300,000 for East-West Center students and programs. The June 1st event at the Hilton Hawaiian Village Coral Ballroom was co-chaired by Walter Dods, Jr., Thomas Fargo and Jeffrey Watanabe who also served as masters of ceremony.

Master Chanter Kau'pēna Wong opened the program with an *oli* (Hawaiian chant). The evening also included music by Ledward Ka'apena and Mike Kaawa during the reception and music by former Miss Hawai'i Cheryl Bartlett (vocalist) accompanied by guitarist Bobby Nishida during dinner. *Senator Daniel K. Inouye: Strengthening Ties Across the Pacific*, a special video produced for the event, began with a tribute by news anchorman Tom Brokaw followed by such notable people as Ryozo Kato, Ambassador of Japan to the U.S., and William Perry, former U.S. Secretary of Defense.

President Charles E. Morrison presented Senator Inouye with the 2007 Asia Pacific Community Building Award for his promotion of U.S. understanding and relations with the Asia Pacific region throughout his distinguished career of public service. Senator Inouye was one of the founding fathers of the East-West Center in 1960. The award recognizes

distinguished individuals whose vision, professional and personal accomplishments exemplify the mission of the East-West Center. Past recipients include Mr. Houghton "Buck" Freeman and Mrs. Doreen Freeman of the Freeman Foundation, Her Excellency Corazon Aquino, former president of the Philippines; Dr. Genshitsu (Soshitsu XV) Sen, former grand master of the Urasenke Tea Tradition; and Mr. Ratan Tata, chairman of Tata Sons Limited, the holding company of the Tata Group, one of India's largest industrial conglomerates.

A surprise musical tribute for Senator Inouye was the performance by Eddie Kamae and the Sons of Hawai'i. The audience erupted in applause when Senator Inouye and Senator Daniel Akaka joined in and sang *Kaimanahila* on stage during the grand finale.

continued



Senator Daniel Akaka and Senator Inouye singing together

2007 East-West Center Dinner Honors
SENATOR DANIEL K. INOUE



Walter Dods, Lynn Watanabe, Senator Inouye and Jeff Watanabe



Governor Linda Lingle addressing the audience with Jeff Watanabe and Tom Fargo



Nancy Lewis, Pat Saiki, Warren Luke, Senator Inouye, Puongpun Sananikone and Carol Fox



EWC Foundation co-chairs Don Kim and Neal Kanda



Alvin & Trudy Wong, Gulab & Indru Watumull and Senator Inouye



Senator Inouye singing with Ocean Kaowili



Roland & Kitty Lagareta, Senator Inouye, Charles Morrison and Phil Loughlin



Senator Inouye with Mary and Fred Weyand



Watters Martin, Christina Hassell, Charles Morrison and Ted Lee



Tom & Sarah Fargo, Robin Campaniano and Jeff Watanabe



East-West Center students Krishna Subba, Christina Kwauk, Ivy Cruz, Hoa Le and Maria Chelo Manlagnit



Eddie Kamae and the Sons of Hawai'i serenading Senator Inouye

*continued***Dinner Chairs***Walter Dods**Thomas Fargo**Jeffrey Watanabe*

The East-West Center Foundation and East-West Center staff and participants are grateful to Senator Inouye, the dinner chairs, our generous table sponsors and individual supporters. Many volunteers and staff contributed to making the event a success:

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Jeffrey N. Watanabe

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Video: Senator Daniel K. Inouye: Strengthening Ties Across the Pacific

Additional video from "Daniel K. Inouye: An American Story" courtesy of Heather H. Giugni, Junirosa Productions Inc. and is available for purchase on <http://mountainapplecompany.com>

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Contributions to the East-West Center received between December 1, 2006 and May 31, 2007 will appear in the next issue of the Observer.

China's Rise: Will It Trigger a Clash of Capitalism?



Christopher McNally

Rather than a clash of civilizations, China's rise will likely produce a clash of forms of capitalism, predicts Christopher McNally, EWC fellow and the author of an upcoming book titled "Capitalism in the Dragon's Lair."

"If China's present political economy is sustained, it implies a state-sponsored form of capitalism,"

McNally believes. "This could prove to be highly destabilizing for the global capitalist system. Policy conflicts will increasingly dominate China's international trade, investment and economic relations. And what we will get is a clash of not socialism vs. capitalism but capitalism vs. capitalism."

McNally spoke of the emerging "China Debate," including quandaries China faces and the dilemma globally of managing the Asian giant's rise at an AsiaPacific Breakfast Briefing, sponsored by Bank of Hawaii, in May.

He briefly discussed the "China Debate," a concern that Beijing will behave like other rising powers historically and challenge the United States for global leadership. And China's contention that it aspires to "peaceful development," forgoing what other powers have done historically, preferring instead to avoid a major war or protracted cold war confrontation with other great powers.

"These perspectives at best misconstrue the dynamics of China's rise and are at worst dangerous to our understanding of what exactly China's rise entails," McNally argues. "The China 'threat' could cause exactly the situation that it prophesizes — a great power rivalry between the U.S. and China. And China's 'peaceful development' does not incorporate an even-headed view of the inexorable quandaries of China's rise."

Among the quandaries: China is still developing and its institutions are still in an embryonic stage. The leadership's primary objective is to create enough jobs

to maintain social stability, he says, adding that China is trading and interacting with the United States, unlike the Soviet Union during the Cold War. But he warns that policy conflicts will increase as China's economic power grows.

China also faces challenges in its evolving regional relations. Besides the immediate tensions with Taiwan and in China-Japan relations, open access to sea lanes is a significant concern to Beijing. "China feels 'boxed in,'" McNally explains, "because it has no free and open access to the oceans. It feels vulnerable because most of its trade and energy come along these sea lanes."

Lastly, China's enormous size — in area, population and economic influence — is a challenge domestically, regionally and globally. "As with the rise of other great powers before it, China's rise will be disruptive and difficult for the international system to absorb," McNally says. "Indeed China's size and speed of development will amplify the quandaries of China's political transition and regional relations."

As development continues, he anticipates that Beijing will have to struggle with three "destabilizing" issues: an economic system with little regard for labor rights and ethical standards, the rising specter of political and military conflict between the U.S. and China, such as a "cold" or "hot" war, and huge environmental issues. "Once China achieves 'first world' living standards, pressure on the world's resources will double," he notes.

"The fundamental question is can the world avoid another 'imperial, hegemonic power struggle' between China and the United States, which will involve by default all other major powers?" he says. "Both Chinese and American policymakers must be exceedingly careful to avoid this scenario" because China needs hands-on management to avoid the negatives that are a result of its rise.

"The U.S., especially," McNally concludes, "must take a leadership role in avoiding conflict because the future of our world depends on it."

Senior journalists from Japan, South Korea and the United States gathered at the East-West Center in Honolulu for the inaugural Northeast Asia Journalists Dialogue in early June.

Participants in the three-day conference engaged in candid discussions on the "impasse" with North Korea; forces driving regional trade; generational change, public attitudes and how these affect regional relationships; reconciling different historic interpretations and

perspectives in Northeast Asia; and the media's role in covering these issues.

Through the dialogue, journalists commented on the changing nature of relationships among Northeast Asian nations, what they share in common



Speakers at a public program on Northeast Asia: Jo Seung Hee, deputy manager of the Overseas News Team for YTN (Cable News) in Seoul; Kunieda Sumire, Los Angeles bureau chief for The Mainichi Newspapers; and Hugo Restall, editor of the Far Eastern Economic Review in Hong Kong.

as well as issues that divide them, how the region can best move forward, and what challenges these relationships bring to the media.

Journalists Exchange Views on Emerging Northeast Asia Issues

Publications in Review

Dangerous Deterrent: Nuclear Weapons Proliferation and Conflict in South Asia, by S. Paul Kapur. *Studies in Asian Security*. Stanford: Stanford University Press, 2007. 280 pp.

Does nuclear weapons proliferation cause ongoing conflicts to diminish or to intensify? The spread of nuclear weapons to South Asia offers an opportunity to investigate this crucial

question. This book argues that nuclear weapons have destabilized the subcontinent, principally because of nuclear weapons' interaction with India and Pakistan's territorial preferences and relative military capabilities. *Cloth*, \$65.00; *paper*, \$24.95. Order from www.sup.org or Chicago Distribution Center, (800)621-2736.

Beyond Compliance: China, International Organizations, and Global Security, by Ann Kent. *Studies in Asian Security*. Stanford: Stanford University Press, 2007. 360 pp.

An extensively researched study of Chinese participation in international organizations, *Beyond Compliance* argues that the record of China's international behavior since the 1970s indicates the long-term effectiveness of the multilateral system. Through its analysis of China's interaction with leading

international organizations, it concludes that engagement with the multilateral system is the key to the gradual socialization of "rogue" states. At the same time, Kent argues that compliance theories on their own are not sufficient to explain the complex interaction between states and the international system, and develops a broader theory to encompass China's behavior. *Cloth*, \$65.00. Order from www.sup.org or Chicago Distribution Center, (800)621-2736.

Pacific Century: The Emergence of Modern Pacific Asia, Third Edition, by Mark Borthwick. Boulder, Colorado: Westview Press, 2007. xxiv, 592 pp. The Asia Pacific region is rapidly emerging as the global economic and political powerhouse of the 21st century. Looking at both Southeast and East Asia, this richly illustrated volume stresses broad, cross-cutting themes of regional history, with an emphasis on the interactions between cultures and nations. This updated

third edition provides a significantly revised introduction, which places the contemporary rise of China within the context of the political, cultural, and economic evolution of the region. More recent developments are considered in their historical context, balancing national and international factors underlying Asia Pacific economic growth and political change. *Paper*, \$55.00. Order this publication from Westview Press at (800)343-4499 or www.perseusbooksgroup.com/westview/.

Conspiracy, Politics, and a Disorderly Border: The Struggle to Comprehend Insurgency in Thailand's Deep South, by Marc Askew. *Policy Studies 29* (Southeast Asia). Singapore: ISEAS Publishing; Washington, DC: East-West Center Washington, 2007. xii, 100 pp. This study examines a number of themes underlying the struggle to identify the character and causes of the violence engulfing southern Thailand's border provinces

since 2004. It argues that representations of the southern crisis have been inherently political, and that the major reality needing attention is the complexity and vulnerability of a disorderly, contested and neglected borderland. *Paper*, \$10.00; *PDF*, \$10.00. Available from ISEAS Publishing, bookshop.iseas.edu.sg/bookmarks/PS29/.

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Legalizing Religion: The Indian Supreme Court and Secularism, by Ronojoy Sen with commentary by Upendra Baxi. *Policy Studies 30*. Washington, DC: East-West Center Washington, 2007. ix, 64 pp.

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Political Authority in Burma's Ethnic Minority States: Devolution, Occupation, and Coexistence, by Mary P. Callahan. *Policy Studies 31* (Southeast Asia). Singapore: ISEAS Publishing; Washington, DC: East-West Center Washington, 2007. 94 pp. *Paper*, \$10.00; *PDF*, \$10.00. Available from ISEAS Publishing, bookshop.iseas.edu.sg/bookmarks/PS31/.

Disincentives for Democratic Change in China, by Teresa Wright. *AsiaPacific Issues*, No. 82. Honolulu: East-West Center, February 2007. 8 pp. Free downloadable PDF file available online at www.EastWestCenter.org/. Despite widespread and growing "mass disturbances" in China in recent years, there is little indication of increased

public interest in promoting liberal democracy. The author explains how China's unique combination of state-led late development and a socialist past has given both the "winners" and "losers" of economic reform a stake in maintaining the political status quo. *Paper*, \$2.50. Available from the East-West Center, ewcbooks@EastWestCenter.org.

The United States and Asia: Assessing Problems and Prospects, by Brad Glosserman (rapporteur). Senior Policy Seminar 2006. Honolulu: East-West Center, 2006. The world is undergoing a profound transformation as Asia emerges as the center of the global economy. China's dazzling economic growth is at the heart of this process, but there is more to Asia's emergence than "the rise of China." Ultimately, the United States needs to better understand the changes that

Asia is experiencing. Many of the changes in Asia further U.S. interests, and Washington should support this evolution. The region still values the U.S. engagement and role, and, while the current relative inattention in Washington to developments in Asia does some harm to U.S. interests, the damage is still manageable. However, Washington must actively re-engage if it is to maintain its influence. *Paper*, \$7.50. Available from the East-West Center, ewcbooks@EastWestCenter.org.



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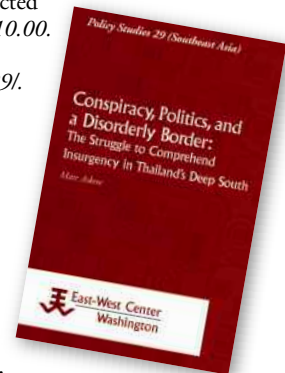
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Bangladesh-U.S. Counterterrorism Efforts Tied to Poverty, Trade Issues



Shamsheer Chowdhury

During his two years as Bangladesh ambassador to the United States, the level of cooperation between the U.S. and Bangladesh went up “phenomenally” on counterterrorism, Shamsheer Chowdhury reported at a briefing at the East-West Center in April.

The ambassador acknowledged that religious extremism in Bangladesh had thrived in a country where there is a “huge income difference.” But Chowdhury said, “No country has fought extremism so successfully in such a short time as Bangladesh,” a reference to the country’s efforts since a 2005 bombing campaign by militants.

“Extremists are most successful where there is poverty,” the ambassador observed, adding that it is essential for governments to focus on poverty and keep development on track so people are not drawn to such groups.

Trade has become a major focus in Bangladesh to stabilize the developing country economically and socially, he said. “We do not want to rely on aid. We want to be able to do better economically and socially through trade.”

Chowdhury said Bangladesh’s apparel industry employs more than two million people, including nearly 1.6 million women. “So the growth of the apparel industry is crucial not just economically but

also for society,” he noted. “An economically empowered woman is a socially empowered woman.”

Because of the success of the apparel industry and microfinance as a poverty-fighting system (introduced by Nobel Peace Prize winner Muhammad Yunus), there have been dramatic changes in Bangladesh’s society over the past 10 to 15 years, Chowdhury said.

“We have a long way to go,” he acknowledged, “but we can do it if we are allowed to have sustained economic ties with the United States.” Bangladesh has a duty free export relationship with Europe, Australia, Canada and New Zealand and he encouraged a similar arrangement with the United States for the least developed Asian and Pacific countries. He noted America has such a program in place for African countries.

“We have been told that after a lot of hard work on our side, there has been a greater understanding in the U.S. Congress that countries like Bangladesh deserve a similar kind of trade preference program as the African countries,” he said. Such a trade preference program, he believes, will mean a lot in terms of economic and social stability.

“South Asia is strategically important” for U.S. foreign policy, he added, whether in fighting terrorism, religious extremism, ethnic nationalism, nuclear proliferation or cross-border movement of people. “It is important to pursue democracy in South Asia,” he said, “to pursue economic stability in South Asia, and to do that in combination will be to guarantee that South Asia is not a source of terrorist attacks to the United States.”

Air pollution and its effect on the health of those living in cities may be a much larger problem than previous research has indicated, cautions Sumeet Saksena, an EWC research fellow in Environment, Governance and Vulnerability Studies.

In a recent study conducted in Hanoi, Saksena and a team of colleagues from Vietnam and the University of Hawai’i at Manoa found that people using roadways — no matter what their means of transport — were at risk. People in cars, buses, motorcycles and bicycles were being exposed to levels of pollution not considered before. The research team also found that people living and working along the thoroughfares were not immune to the pollution. Startlingly, road-level pollution was found to be more than twice the background level usually measured on rooftops.

“Most studies of air pollution in cities have concentrated on urban background air quality and its effects on people away from roads,” Saksena explained. “Scientific evidence (now) suggests that road users of all kinds are exposed to higher levels of air pollution.” Interestingly, the researchers determined that motorcyclists are the most exposed road-user group.



Sumeet Saksena

Not surprisingly, Saksena and his colleagues discovered that air pollution in the Vietnamese capital is at its worst along traffic thoroughfares where people live and work. Hanoi has seen its population jump from 300,000 in 1954 to 1.8 million in 2003, with a major leap in vehicular

activity and those numbers are expected to grow. Most of the motor vehicles in the Vietnamese capital are old cars and trucks emitting harmful air pollutants, and a large number of motorcycles, Saksena said.

“Studies of human exposure are needed to quantify the impact of air pollution on public health,” he advised. “Fine particles are responsible for cases of respiratory disease and premature death every year,” and are concentrated along these populated roadways.

Saksena and his team recommend that governments rely on actual exposure estimates to spread awareness of the benefits of switching to modes of transportation such as buses. This will lead to “an immediate and direct reduction in an individual’s exposure, something very critical in the case of vulnerable groups like children, elderly and asthmatics.”

Commuters at High Risk of Exposure to Air Pollution in Asia

Notes and Quotes

From
"Offshoring Is Creating
Uncertainties Both in the
U.S. and Asia Pacific"
By Dave L. Llorito
In *Business Mirror*
(Philippines)
June 14, 2007

SILICON VALLEY — Offshoring is supposed to be a win-win situation for all. Or at least, that's what most economists like to believe.

But journalists in the United States and the Asia-Pacific who are covering technology and business are increasingly seeing offshoring as a full-contact sport that is causing pain, exacerbating structural problems, and bringing lots of uncertainty in both developing and advanced countries. ...

Sponsored by the East-West Center, based in Hawaii, this year's Jefferson Fellowship tackles

"innovation offshoring" or the internationalization of product development and research in high-tech industries away from the American mainland towards Asia, especially China and India. Situated within the University of Hawaii campus, the East-West Center chose 12 journalists from the U.S., Japan, South Korea, China, India, Taiwan, Vietnam and the Philippines this year to participate in the fellowship that takes them to global innovation centers in the Silicon Valley in the U.S., Beijing and Shanghai in China, and Bangalore and Chennai in India.

From
"China Poses Big
Challenge on Warming"
By Robert Collier
In the
San Francisco Chronicle
May 7, 2007

The International Energy Agency said last month that China — which as recently as 2001 emitted only 42 percent as much greenhouse gases as the United States — is likely to become the world's largest emitter this year. More ominously, China's annual net growth in greenhouse gas emissions, more than 500 million tons, is more than three times the annual increase of all industrialized nations combined, according to data from the Energy Agency and the Chinese government.

The Bush administration, meanwhile, says the United States should not sign any international treaty

on global warming unless China also agrees to binding limits on its emissions.

Energy policy experts say the U.S.-China confrontation gives both countries an excuse to do nothing.

"It's a chicken or the egg issue — who caused the problem, and who should act first," said ZhongXiang Zhang, a senior fellow at the East-West Center, a think tank in Honolulu that is funded primarily by the U.S. government. "But if China becomes the No. 1 emitter this year, it certainly will put pressure on China to take actions and make commitments."

From
"Hong Kong Faces
'Man-to-Man HIV
epidemic' - U.S. Expert"
In *BBC Monitoring*
International Reports
May 7, 2007

Hong Kong faces an HIV epidemic unless there is greater use of condoms by men who engage in homosexual sex, a U.S. expert has warned.

Tim Brown of the East-West Center in Hawai'i, an adviser to the World Health Organization's Joint United Nations Program on HIV/AIDS, also warned

that failure could result in 3,000 more HIV infections and additional treatment cost of more than HK \$1 billion by 2020. ...

Dr. Brown warned that "Hong Kong could easily move from a low level to a concentrated HIV epidemic should the current situation continue."

From
"China's Hu
Heads to Russia
Urgently Seeking Fuel"
By Emma Graham-Harrison
Reuters
March 3, 2007

Chinese President Hu Jintao goes to Moscow on Monday, confidently offering trade deals with an economy roaring back home, but urgently seeking oil, gas and assurance as the two countries eye each other's resurgent power. ...

China wants lower prices for the gas and it is unclear whether Russia has enough crude to satisfy

China and Japan — who have been vying for supplies. Moscow has flip-flopped over which of these Asian rivals should get the first pipeline connection.

"People might have the good will, but the relationship seems to move ahead of the actual projects, the good will doesn't deliver," said Kang Wu, at the East-West Center in Hawai'i.



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