

## Applying Track Two to China-Japan-U.S. Relations

WADA JUN

THE CHORUS OF voices stressing the importance of an epistemic community and intellectual exchange has crescendoed during the 1990s. While this is a global phenomenon, there has been extra intensity in the efforts to create frameworks for intellectual exchange in Asia (Haas 1992; Clough 1994; Yamamoto 1996). In the past five years, especially, the pivotal role that China-Japan-U.S. Intellectual exchange will play in future Asia Pacific affairs has been a focus of attention.

Formerly, the term "intellectual exchange" was used exclusively by members of the so-called intellectual elite, and it tended to carry nuances of a closed and privileged elitism. At least until the 1970s this was the way the term came across. Around the mid-1980s, though, the role of such exchange in a globalizing world began to gain increasing appreciation, and the term came to be seen in a new light. This trend accelerated with the end of the cold war and the deepening of interdependence in the 1990s.

Intellectual exchange is difficult to sum up in simple terms. Still, the meaning that has generally been attributed to it in recent years might be stated thus: efforts to gather together experts, all on an equal footing, to pool their wisdom, knowledge, and experience; to engage them collectively in searches for cooperative paths forward; and to produce thereby research results and proposals that make pertinent contributions to realistic policies. The "experts" are policy-oriented people drawn from all sectors, including politics, government, academe, business, and nonprofit organizations (NPOs). The trend has been to include more members of the younger generation among the "experts." In the taking of initiatives and the building of frameworks, the role of the nongovernmental, nonprofit sector is assuming added importance. This is especially true of strategic think tanks and nongovernmental organizations (NGOs) concerned with policy. The feeling is that their role is to lead the way in establishing agendas, to address areas that governments alone cannot adequately cope with and issues that government-level measures are unable to treat, to come up with points of departure and specific prescriptions through flexible analysis and dialogue, and to build networks for sustained discussion and study.

The day when leadership could be exercised by a small group of remarkable intellectuals is receding into the past; we have entered an age requiring a diversity

of intellectual contributions from numerous specialists who embody the values of the middle class. No longer is intellectual exchange the exclusive preserve of "eminent persons." To restate this from a different perspective, the age when states and governments monopolized policy debate is rapidly disappearing, in the context of the rise of civil society and a massive power shift among such actors as nation-states, international institutions, and the nonprofit sector (Salamon 1994; Yamamoto 1995; Yamamoto and Funabashi 1995; Mathews 1997).

In the sphere of international relations and diplomacy, such changes have increased the need for "track two" processes driven by the vitality and dynamics of intellectual exchange on a nongovernmental basis to complement the "track one" approach of negotiations among governments. The importance of track two is rising especially swiftly in Asia Pacific—even more rapidly than in Europe, where it came into being. The role this track plays in Asia Pacific is of extremely great value.<sup>1</sup>

In this chapter, I will first explore and review the evolution of intellectual exchange in Asia Pacific, particularly the nongovernmental exchange in which Japan has been involved. I will then discuss the outlook for a track two network linking China, Japan, and the United States. Finally, I will consider the tasks to be tackled if this trilateral network is to be realized.

## Asia Pacific Intellectual Exchange Through the 1980s

### The Years to 1945

Intellectual exchange has a long history. Many years before the concept had crystallized, private-sector activity guided by a similar kind of thinking got under way even in Japan. This was not a case of exchange aimed at promoting so-called friendship and goodwill among countries, nor was it purely cultural exchange or merely an "enlightenment" effort. The aim was to assist policy coordination among governments.

The start of this activity can be considered to be the private-sector economic diplomacy that Shibusawa Eiichi, an entrepreneur and business leader who played a central role in the establishment of modern industry in Japan, and others were involved in from 1903 to 1910. At the invitation of those on the Japanese side, "honorary commercial commissioners" representing U.S. chambers of commerce along the Pacific coast visited Japan in 1908. The next year, a Japanese mission went to the United States. These were the first instances of large-scale private-sector exchange in the history of Japan-U.S. relations. That this was an early form of intellectual exchange can be sensed from a comment made by Shibusawa: "The needs of the age we are entering at this point in the twentieth century

seem to require that we not only use exchange visits by individuals but also organize missions for such purposes as promoting mutual understanding and achieving the success of specific businesses" (Kimura 1991, 72). The Japanese efforts in those days to acquire an international outlook, enlarge networks of personal friendships, and further strengthen economic ties with the United States—and also to alleviate American concern over Japan's emergence as a military power—closely resembled present-day intellectual exchange.

Of even more historic significance were the private-sector missions both countries, as if in rivalry, dispatched to China in 1910. Perhaps this was a natural development, because at the time China was the third largest trading partner of the United States, after Britain and Japan, while it was the second-ranking trading partner of Japan, after the United States. Still, one can sense in the background the work of Shibusawa, who was deeply concerned about securing cooperative relations among China, Japan, and the United States. The Chinese responded positively, and commercial organizations in many parts of the country began working together for the dispatch of return missions to Japan and the United States. In the end, however, the plan had to be abandoned when China's republican revolution of 1911 broke out (Kimura 1991). Here we can see what might be called the prototype of Japan's intellectual exchange. It began with the establishment of a Japan-U.S. axis and then sought to expand, drawing in China. When thinking about intellectual exchange in the period since World War II, we would be wise to remember that its prewar version treated cooperation among China, Japan, and the United States as a pivotal concern.

During and after World War I, Shibusawa, who felt keenly that Japan-U.S. relations were of more than bilateral concern, that they were coming to affect nations around the Pacific Ocean and throughout the world, sought to establish forums for ongoing discussion by private-sector leadership. In 1916, he helped set up the Japanese American Relations Committee, which sought the repeal of U.S. immigration legislation excluding Japanese; and in 1920, the year the League of Nations was founded with Japan as one of its charter members, he organized a Japanese association in support of the league. Seeking to avert ethnic conflicts around the Pacific Basin, Shibusawa backed the creation in 1926 of the Institute of Pacific Relations, which was initially proposed by the Young Men's Christian Association. He not merely organized the Japan-China Educational Association in 1918 but also extended personal help to Chinese students in Japan.

The first major organization with the word *intellectual* in its name was the International Committee on Intellectual Cooperation, established in 1922. This was the predecessor of the United Nations Educational, Scientific, and Cultural Organization (UNESCO). Judging that the time was not yet ripe for the creation of a full-fledged organization specializing in this sphere, the League of Nations agreed to create a committee on a voluntary basis. This body was the

brainchild of the league's deputy secretary general, Nitobe Inazo, who became its secretary. In 1926, a Japanese chapter of the committee was organized. But when we examine the concerns of the subcommittees of the chapter—affairs like cooperation and liaison among universities, preparation of book catalogs, promotion of literature and arts, and protection of intellectual property rights—we can appreciate that its members were not inclined to the policy orientation of today's promoters of intellectual exchange.

Before endeavors like these could get prewar intellectual exchange going, however, momentum was lost through such developments as the U.S. Immigration Act of 1924, which virtually closed the door to Asian immigration, and the Great Depression, which began with the stock market crash of 1929. The final blows, which stifled further efforts in Japan, were the Manchurian Incident of 1931, which marked the start of Japan's drive into Manchuria and, later, China proper, and Japan's withdrawal from the League of Nations in 1933. Moving toward center stage at this time were government-backed endeavors, such as the cultural programs targeting China that were known as *tai-Shi bunka jigyo*, which began in 1923, and the Society for International Cultural Relations, which was inaugurated in 1934 to circumvent Japan's isolation from the international community. Then, with the outbreak of the Pacific War in 1941 and Japan's occupation of many parts of Southeast Asia in 1942, the main theme of the propaganda emanating from Tokyo was the call for a Greater East Asia Co-Prosperity Sphere (Matsumura 1996).

## From 1945 to the 1970s

Intellectual exchange resumed in the postwar period on the Japan-U.S. axis. To foster human resources for intellectual exchange, the United States' Government Account for Relief in Occupied Areas (GARIOA) began providing scholarships for study in the United States in 1949, and the Fulbright program went into full swing in 1952.

It is generally agreed that the pioneering work for turning intellectual exchange into a full-fledged undertaking was performed by the Japan Committee for Intellectual Interchange, organized in 1952 in conjunction with the establishment of the International House of Japan. Funding was supplied by the American industrialist and philanthropist John Rockefeller, Jr., and leadership was provided by Matsumoto Shigeharu, journalist and contributor to international exchange. The aim of the committee was to fill the intellectual vacuum left after the war and improve Japan-U.S. relations through the exchange of respected thinkers, artists, and scholars. Evidently, the committee perceived intellectual exchange to be a give-and-take of ideas among individuals: "The general objectives of intellectual interchange are to achieve a broad exchange of

knowledge and ways of thought, promote correct understanding of other cultures and international problems, and provide opportunities for the individuals participating in exchange programs to become intimately acquainted with overseas experts" (Japan Committee 1953). The primary partner at the time was the United States.

Exchange more closely resembling the present-day variety began with the so-called Dartmouth Conference, a private-sector Japan-U.S. forum organized in 1964 by the International House of Japan and Dartmouth College in the United States. This was the year of the Tokyo Olympics; at the time Japan was reestablishing its presence in the international community. The Japanese-American Assembly, which came to be known as the Shimoda Conference, got its start in 1967. This marked the beginning of Japan's dialogue with the American intellectual establishment on matters of common concern, such as the Vietnam War, China, and the reversion of Okinawa to Japan. Of note was the participation by influential U.S. Congressional members. The Japan Council for International Understanding, which handled the Japanese arrangements for the Shimoda Conference, initiated an exchange program for legislators of the two countries in 1968. That was the year Japan's gross national product overtook West Germany's, making Japan the world's second-ranking economic power, after the United States. Having become an industrial giant, Japan was expected to play a bigger role in international affairs.

In 1970, the year of the world exposition known as Osaka Expo '70, the Japan Center for International Exchange (JCIE) was established under the leadership of Yamamoto Tadashi. In 1971, at the urging of John Rockefeller, Jr., the Williamsburg Conference was launched to bring together influential figures in Asia Pacific, and in 1973 Japan hosted the second Williamsburg Conference, with the International House of Japan handling the Japanese side of the gathering. Later that year, the Trilateral Commission, with participants from Europe, Japan, and the United States, was launched with JCIE as its Japanese secretariat; this was the first organization enabling Japanese input into the Europe-U.S. policy dialogue. At the time, though, those on the Japanese side were hardly experts in the art of intellectual exchange. "Presented with the challenge of becoming a new participant in the intellectual dialogue that had been proceeding for years between Europe and the United States, . . . we needed sophisticated and intelligent research and exchange with an explicit policy orientation" (Yamamoto 1996).

In the economic sphere, moves began in response to developments in Europe aimed at creating an economic community. In the mid-1960s, economist Kojima Kiyoshi of Japan and others advanced the idea of a Pacific Free Trade Area. In 1968, the Pacific Trade and Development Conference (PAFTAD) was established through the cooperation of economists like John L. Crawford of Australia, Okita Saburo of Japan, and Hugh T. Patrick of the United States; it was the

first government-academic intellectual framework for promoting Asia Pacific cooperation. In the same year, the Pacific Basin Economic Council (PBEC) was organized mainly by business leaders in Australia and Japan. With Japan's emergence as the world's No. 2 economic power, its leaders were obviously gazing into the future. The time was not yet ripe for forming a community in Asia Pacific, however. The region's great diversity made progress in this direction difficult.

In 1971, Japan was jolted by two "Nixon shocks." One was the revelation that U.S. President Richard Nixon, without giving Tokyo prior notice, had begun maneuvering to normalize relations with China. The other was a package of measures—notably a 10 percent surcharge slapped on all exports to the United States—that Nixon authorized to defend the dollar. In 1970, the Japanese government had organized the Advisory Group on International Relations to study the Chinese question and Japan-U.S. relations from a medium- to long-term perspective, inviting researchers to serve in it. This was an attempt to inject private-sector wisdom into the government's policy-making process. The group, however, was not able to anticipate either of the Nixon shocks.

The Japan Foundation was established as a semigovernmental organization in 1972. But its initial agenda, which mainly featured cultural exchange, did not give recognition to intellectual exchange. To be sure, a certain amount of policy research took place under the foundation's research-related programs, but this was an incidental aspect of programs with other objectives. In a more dynamic approach to the intellectual community, the foundation took over the Short-Term Visitors Program that the Ministry of Foreign Affairs had been administering and, in 1974, organized the Distinguished Visitors Program. Both were conceived as independent programs for bringing to Japan some of the world's foremost intellectuals. In this way, the public sector finally accepted a concept the private sector had begun using some twenty years earlier in the Japan Committee for Intellectual Interchange.

The National Institute for Research Advancement (NIRA) was created in 1974 as a large-scale think tank jointly funded by the central and local governments and the private sector. But not until the 1980s, after the installation within it of the International Cooperation Department, did NIRA become involved in full-fledged international research exchange.

Private-level intellectual exchange with other Asian countries was already in progress around this time. The Asian Intellectual Cooperation Program was set up by the International House of Japan in 1968; JCIE organized the Korea-Japan Intellectual Exchange Conference and the ASEAN-Japan Dialogue Program (with the Association of Southeast Asian Nations) in 1977; and JCIE also established the Japan-Thailand Conference in 1979.

## The 1980s

Intellectual exchange in the 1980s got under way with a 1980 seminar in Canberra, where Japanese Prime Minister Ohira Masayoshi and Australian Prime Minister Malcolm Fraser gave strong support to the idea of creating the Pacific Economic Cooperation Council (PECC). The birth of PECC, formally established in 1982, marked the start of practical experiments in cooperation within Asia Pacific. It was thanks to the low-profile efforts of PAFTAD, the encouragement voiced by figures like Ohira, who in 1979 had advanced the concept of "pan-Pacific cooperation," and the leadership of Crawford, Okita, and others that this stage was reached.

With business, academe, and government represented in it (the public officials participating as private individuals), PECC became a forum for experimenting with a new approach to cooperation, one making use of task forces, selecting each field for cooperation on the basis of a consensus, and relying more on process than on institutions or systems. This loose form of cooperation encouraged ASEAN, which always proceeds cautiously before involving itself in new international arrangements, to become a participant, making PECC a forum where developed and developing countries alike engaged in negotiations and consultations. In other words, ASEAN became more than just a subregional organization dedicated to promoting cooperation; it was drawn into a broader framework of regional cooperation inspired by globalism. This also suited the agenda of ASEAN, which in the late 1970s had begun setting up postministerial conferences (PMC) to which non-ASEAN foreign ministers were invited and entering into dialogue with the European Union (then the European Community), Japan, and the United States. In this way PECC, which upheld the principle of "open regionalism," became a place for confidence building on an informal basis. Driven by the dynamics of intellectual exchange, it grew into a meaningful track two forum (Kikuchi 1995).

The flexibility of PECC paid off handsomely when China and Taiwan were simultaneously admitted in 1986. This was the result of negotiations handled in large part by Okita and Eric Tregg of Canada, chairman of the PECC Standing Committee, who responded to Taiwan's 1984 application for membership by talking with Chinese officials to see if China could be persuaded to enter PECC at the same time. The Chinese agreed to the proposal provided that Taiwan would be called "Chinese Taipei," the name by which it is known in Olympic events. One reason for Beijing's acceptance was that it recognized the need for Asia Pacific cooperation in its crash program of modernization, but another was the fact the PECC moves along track two, a nongovernmental route. Steering away from questions of sovereignty, China opted for economic pragmatism. In this way China, a major actor on the Asian stage, began to participate in a private-sector forum for multilateral intellectual exchange.

PECC was the first organization to make use of intellectual exchange in its present sense and to introduce the dynamism of track two to Asia Pacific. Thanks to its success, the region for the first time became able to see itself as an integrated area, a potential community, dedicated to the concept of globalism. PECC also created a precedent for initiatives by countries like Australia and Japan, nudged the United States toward acceptance of multilateral consultations, and gave ASEAN a ground-breaking role in the stimulation of intellectual exchange. These accomplishments set the stage for the formation in 1989 of the Asia Pacific Economic Cooperation (APEC) forum, as I will discuss shortly, and enabled the “three Chinas”—China, Hong Kong, and Taiwan—to gain APEC membership simultaneously.

As if following the trail blazed by these private-sector endeavors, actors on the government level became more active in the 1980s. The approach they took featured the creation of “wisemen’s groups.” First, in 1979, came the creation of the Japan-U.S. Economic Relations Group of distinguished individuals under an agreement between Prime Minister Ohira and U.S. President Jimmy Carter. Then, in 1983, Japanese Prime Minister Nakasone Yasuhiro and U.S. President Ronald Reagan agreed to establish the U.S.-Japan Advisory Commission. In 1984, Nakasone, together with Prime Minister Margaret Thatcher of Britain, launched the UK-Japan 2000 Group. But of even greater import that year, the China-Japan 21st Century Friendship Committee was brought into being after talks between Nakasone and Chinese Communist Party General Secretary Hu Yaobang. Then, after an agreement between Japanese Prime Minister Takeshita Noboru and South Korean Prime Minister Roh Tae Woo in 1988, the year of the Seoul Olympics, the Korea-Japan 21st Century Committee was created.

Such groups, of course, are not permanent institutions. They deliver reports after several years and are disbanded. The effect they are intended to have is like that of lobbing a shell into the political arena. Today, only the China-Japan 21st Century Friendship Committee and the UK-Japan 2000 Group still exist. But Japan’s government needs intellectual input from well-informed civilians for a freer and more constructive exchange of views, and it has learned that it often makes sense to delegate tasks to nongovernmental and private bodies. The China-Japan 21st Century Friendship Committee, which had its office in the Foreign Ministry and was not handed over to private administrators, had to stop meeting in 1990, following the suppression of the democracy movement in Tiananmen Square the previous year.

Meaningful intellectual exchange among Japan and other Asian countries began in the 1980s. The track two approach moved to the fore, and conditions jelled for the flowering of this exchange in the 1990s.

## Asia Pacific Intellectual Exchange in the 1990s

From the late 1980s to the early 1990s, the significance of track two intellectual exchange rapidly gained recognition in Asia Pacific. It was in this period that the cold war came to an end and the interdependence accompanying globalism greatly deepened. Track two in Asia Pacific, we can say, was born in the 1980s and came of age around 1990.

### Economics: PECC and APEC

The first major development was the establishment of APEC in 1989. I will not go into detail here, since there have been many other studies of the process that created APEC and the significance of its advent, but clearly this was a historic event signaling the full-fledged start of "Asia Pacific fusion" (Funabashi 1995; Kikuchi 1995; Yamakage 1995). Once again initiatives taken by such countries as Australia and Japan were helpful, but it is probably more accurate to say that APEC's birth as a track one organization was made possible by the intellectual foundation already laid by the track two PECC.<sup>2</sup>

PECC's success in securing the simultaneous admission of the "two Chinas" set a precedent. The "three Chinas" of China, Hong Kong, and Taiwan were admitted to APEC at one time in 1991 (although Taiwan had to agree to being called "Chinese Taipei," Hong Kong had to accept the designation "Hong Kong, China" after its reversion to China in July 1997, and both had to accept limits on their status as APEC members). Before that the three had never been represented together in bodies for multilateral negotiations, although they had associated with one another in international organizations like the Asian Development Bank. It seems unlikely that the "three Chinas" could have got together had not PECC already created a forum for two of them on the track two level.

APEC's birth as an agent of Asia Pacific cooperation and its admission of the "three Chinas" endowed it with potential for leading the way in multilateral negotiations in the region. This development also renewed appreciation of the latent strength of track two.

### Diplomacy and Security: CSCAP and ARF

Asian countries were provided with a new point of departure by the experience of seeing PECC lead to APEC. This encouraged a broadening of thinking about the Asia Pacific agenda from economic affairs to politics and national security. The initiatives in this sphere were taken mainly by ASEAN, although Australia and Japan made moves of their own.

Asia Pacific intellectual exchange on matters of diplomacy and security lagged behind economic exchange, only really getting started in the mid-1980s. The first opportunity for ongoing discussion was presented when Malaysia's Institute for Strategic and International Studies (ISIS) initiated the Asia Pacific Roundtable in 1986. More formal arrangements were set up in the 1990s. Stimulated by the end of the cold war and the achievements of the Conference on Security and Cooperation in Europe, nongovernmental research institutions launched the Council for Security Cooperation in the Asia Pacific (CSCAP) in 1994. In the same year, the ASEAN Regional Forum (ARF) was established at the government level.

Preparations for these developments were made in Southeast Asia. They started with a call for an "ASEAN-ISIS" in 1984. ISIS can be taken to stand for "institutes for strategic and international studies," since the concept was proposed by Indonesia's institute of the same name and backed by Malaysia's ISIS. In the end, three other organizations—the Philippines' Institute of Strategic and Development Studies, Singapore's Institute of International Affairs, and Thailand's Institute of Security and International Studies—joined in the formal establishment of ASEAN-ISIS in 1988. Time was required, however, before the potential of this network could gain governmental recognition. First, the respective institutes entered into talks with the authorities; next, in 1991, they began presenting ASEAN-ISIS memorandums to their governments; then, in 1993, they secured an official relationship with the Senior Officials Meetings (SOM) of ASEAN leaders. In this way, ASEAN-ISIS gained a track two role in setting Southeast Asia's agenda in business, politics, and security. Because efforts were proceeding at the same time to develop closer ties among other East Asian neighbors, including China, Japan, South Korea, and Taiwan, as well as such Pacific rim neighbors as Australia and the United States, ASEAN-ISIS became an organization serving to expand policy coordination and improve Southeast Asia's position in Asia Pacific.

During this process, ASEAN-ISIS decided to take the lead in creating a forum for talks on the diplomatic and security issues Asia Pacific confronted in the post-cold war period. The result was CSCAP. In 1991, the five ASEAN-ISIS institutes teamed up in PACNET, a "Pacific network," with America's Pacific Forum/CSIS, the Seoul Forum for International Affairs, and the Japan Institute for International Affairs. More detailed planning began in 1992, and the number of participating institutes reached ten with the inclusion of the Joint Centre for Asia Pacific Studies of the University of Toronto-York University, Canada, and the Strategy and Defense Issues Research Center of the Australian National University. PACNET became the forerunner of CSCAP, which was inaugurated in 1993 and formally established in 1994. To make the discussions more meaningful, the door was opened to participation by public officials in a private capacity. In Asia Pacific, where it is said that the cold war has not

ended even today, CSCAP became the first forum for multilateral discussions focused on security issues. A nongovernmental initiative opened the way to this confidence-building endeavor. This is what track two can deliver.

ASEAN-ISIS also contributed to the creation of ARF. In "A Time for Initiative," a position paper released in 1991, ASEAN-ISIS stressed the importance of political dialogue in Asia Pacific and pointed to the usefulness of initiatives taken by ASEAN. In the same year, Japanese Foreign Minister Nakayama Taro called for stepped-up diplomatic consultations in the region during an address to the annual meeting that ASEAN holds with foreign ministers of nearby countries. At the next year's meeting, a resolution was adopted on upgrading talks on diplomatic and security affairs by making use of ASEAN's PMC mechanism. In this way the rails were laid for track one. When countries outside Southeast Asia objected that the format might give too great a voice to the Association of Southeast Asian Nations, ASEAN-ISIS suggested that PMC membership might be expanded (to include, for instance, representatives of China and Russia) and that the above-mentioned SOM be initiated. Further twists and turns were to come, but with the help of continued prodding from private-sector actors, ARF came into being in 1994 for government-level talks. Once again track two had demonstrated what it could do (Evans 1994; Hernandez 1994; Kuroyanagi 1995).

The specialized knowledge and experience of CSCAP members were to prove a boon in the operations of ARF. Examples can be found in the setting of agendas in areas like peacekeeping and preventive diplomacy. Just as the two economic tracks, PECC and APEC, derived support from each other, the CSCAP and ARF tracks became mutually supportive in the diplomatic and security spheres. To be sure, the delineation of two separate tracks in these spheres had not gone as far as it had in the economic world. This is because diplomacy and security are very delicate issues, and also because the symbolic issue of securing the participation of both China and Taiwan was involved. The possibility of the simultaneous admission of the "two Chinas" had been presented to CSCAP by the precedents of PECC's acceptance of both and APEC's simultaneous admission of Hong Kong as well, but China stuck to the line that where diplomacy and security were concerned, it could not sit down with Taiwan even in a non-governmental setting. It was willing to participate in ARF, from which Taiwan was excluded, but refused to take part in CSCAP. In the end, China changed its mind and agree to join CSCAP in December 1996, but only after attaching conditions. Taiwan would not be considered an official member and would only be allowed to join in working groups and contribute no more than two participants per group.

This compromise may be brushed off as a weakness of track two, but I think we should, rather, appreciate the fact that the "two Chinas" were brought together in working groups on issues of diplomacy and security. Another example

of track two's inherent flexibility and ability to build confidence through plain talk occurred in 1994, when Russia and the two Koreas together became official CSCAP members. When there is a need to rise to the challenge of avoiding exclusionary behavior and creating forums for real dialogue, track two works best. It is said that APEC would never have come into being had not PECC already been operating for nine years. It is also said that it will take ten years before ARF can make a name for itself. But the real test of whether CSCAP and ARF will be able to build a constructive relationship began only with China's admission to CSCAP.

## Japan

How did Japan respond to this blossoming of intellectual exchange in the late 1980s? Japan was learning the importance of intellectual exchange and quickly becoming acquainted with the functions performed by track two.

Evidence can be found in the first use of the term *chiteki koryu* (intellectual exchange) by the government with the creation in 1989 of the Prime Minister's Private Commission for International Exchange, a task force organized by Takeshita. The first panel established as a prime minister's private body to study cultural exchange, the commission was directed to discover how such exchange could become a pillar of Japanese diplomacy and was explicitly asked to make "intellectual exchange" a top priority. This marked the first government-level recognition in Japan of the concept of intellectual exchange and indicated a historical turning point.

In the same year, NIRA set up the U.S.-Japan Intellectual Exchange Study Group, and in 1991 it released a report emphasizing the importance of such exchange. Also in 1991, the Sasagawa Peace Foundation initiated a research project to explore the feasibility of creating an independent think tank in the private sector to study policy formulation.

A major development that year was the creation of the Japan Foundation Center for Global Partnership, which was provided with an endowment of ¥50 billion. This was the first governmental body to cite promotion of intellectual exchange as an objective. Specifically, it promised to promote "intellectual exchange for global partnership," defining it as "collaboration between Japan and the United States with the goal of fulfilling shared global responsibilities and contributing to improvements in the world's welfare" (Japan Foundation Center for Global Partnership 1991, 2). This was to be accomplished by grants and cooperative efforts aimed at assisting policy-oriented research, intellectual dialogue, and improved access to information.<sup>3</sup> While basing its efforts on Japan-U.S. cooperation, the center sought participation from other countries in securing collaboration and deciding where to target projects; it made multilateral and

global endeavors its top priority. In this way, an organ of a foundation that had seen its mission as one of "selling Japan"—of improving understanding and appreciation of Japan—shifted the emphasis to pooling wisdom for the sake of solving global problems and addressing common tasks, embarking on a style of intellectual exchange in which Japan was merely one player. For a Japanese public organ, this was a historic change. Significantly, the center's Japanese name, *Nichi-Bei Senta* (Japan-U.S. Center), was rendered in English as Center for Global Partnership. This became its driving spirit. From 1993 on, moreover, the focus was slanted to Asia Pacific, and the countries in the region gained priority in grant-making efforts.

In 1993, Hosokawa Morihiro became Japan's prime minister, and the Advisory Group on Cultural Exchange was established. It advised that "intellectual exchange should be promoted by creating opportunities for dialogue and exchange among opinion leaders from various countries and walks of life, including government, business, the bureaucracy, academia, and journalism," adding that "it is desirable that exchange within the Asia Pacific region be given high priority for the future" (1994, 19, 14). This thinking was advocated for what the group called "exchange programs for a better future in the Asia Pacific region" (Advisory Group 1994, 13). With the government taking the lead, the Korea-Japan Forum and the Japanese-German Dialogue Forum were launched in 1993, and the Japan-France Dialogue Group was set up in 1995. Departing from the conventional practice of organizing eminent persons groups with short-term missions, these were designed as ongoing bodies engaging in dialogue every year, and their administration was put in the hands of private groups. The aim was to achieve longevity in intellectual exchange by respecting the dynamism of the private sector. Meanwhile, the China-Japan 21st Century Friendship Committee, whose office was still in the Foreign Ministry, was again forced to suspend operations when China conducted nuclear weapons tests in 1995.

In a 1995 JCIE initiative, a consortium of policy research institutions centered on nine Asia Pacific institutes established the Asia Pacific Agenda Project. The next year, at the first Asia-Europe Meeting, the Japanese government advanced a proposal for "intellectual exchange between Asia and Europe assisted by the construction of a needed network among the two regions' think tanks." After this was incorporated in the statement by the meeting's chair, the Council for Asia-Europe Cooperation was organized as a policy research institution supported by more than twenty Asian and European think tanks. JCIE was assigned to handle administration on the Japanese side, and Britain's International Institute for Strategic Studies was named as its counterpart on the European side. In this way, a new track two process connecting Asia and Europe was put in place. Also in 1995, moves got under way to realize a concept dubbed Global ThinkNet, an even grander network of the world's leading think tanks and policy research institutions, many of them track two bodies.<sup>4</sup>

## Features of and Expansionary Factors Behind Intellectual Exchange in the 1990s

### Features

Thus far I have discussed how intellectual exchange in Asia Pacific emerged as a powerful current from the mid-1980s to the mid-1990s and how track two began to deliver visible results. Now I will try to sum up the salient features of this period.

The first feature is the clear recognition that intellectual exchange, formerly seen as an abstract endeavor, can have an impact on specific policies when conducted on the nongovernmental level as a track two process. The main stage of this development has been Asia Pacific. Of historic significance was the demonstration that track two can play a leading role in the region's relationship with track one. PECC paved the way for APEC, and ASEAN-ISIS and CSCAP facilitated the formation of ARF. Also of import was the recognition that greater involvement of private-sector actors at the nongovernmental level, which is inherently flexible, leads to bolder initiatives, greater dynamism, and better adaptability. Only the flexible track two could have hoped to play the role of forming a broad community rooted in globalism in Asia Pacific, which is noted for its extreme diversity. The success achieved thus far owes much to the grounding of efforts in intellectual exchange among experts who freely discuss policy questions.

The second feature is the broadening of the area where track two works effectively from the economic arena to the diplomatic and security spheres. Track two's base continues to be the experiences of PECC and APEC, but its activities have reached outward through CSCAP to security concerns around Asia Pacific. Consider these figures cited in the *Dialogue Monitor*, which records trends in multilateral meetings on Asia Pacific security issues (Joint Centre 1995-97). In 1993, there were three cases of official governmental dialogue and thirty-four cases of nongovernmental dialogue. Thereafter, track one meetings increased in frequency, reaching nineteen in 1994, eighteen in 1995, and twenty-one in 1996, but track two meetings were far more numerous, totaling ninety-three in 1994, ninety in 1995, and eighty-two in 1996. We see that nongovernmental meetings were held four to five times more frequently than governmental meetings.

Third, track two arrangements have gone beyond bilateral relations and have come to be centered on multilateral relations. This is largely the result of a change of stance on the part of both ASEAN, which had been reluctant to involve itself in multilateral institutions, and the United States, which opted to participate actively instead of working to frustrate multilateral organizations as it had in the past. Also important is the ability of all countries, regardless of ideology or their recognition by other countries, to participate in track two. As in China's case, participation is still sometimes employed as a negotiating card,

but undeniably the large growth in the number of participants has been facilitated by the confidence-building function of track two, which has paved the way for track one.

Fourth, in an increasing number of cases Asian countries have taken the initiative in getting countries to work together. The formula employed has been a combination of long-term approaches, informal processes, pragmatic options, self-help efforts by all the countries involved, loose consensus built through consultation, and stage-by-stage implementation starting from what is easiest. This might be termed the "strategic culture" that has long been seen in the Asian region, but it is also a formula that track two can handle deftly. Having been honed by track two, Asia's strategic culture has given birth to new methods of track one policy coordination, such as the APEC approach, and has permitted Asian countries to seize many opportunities for initiatives.

Fifth, while there has been no change in the basic structure of intellectual exchange, which is based on connections among individuals and promoted by leadership provided by individuals, the leadership circle has altered. It now has many more members, they come from a much broader geographical area, and young leaders are stepping to the fore. This is particularly true in Asia, where the rise of ASEAN countries has been stunning. Countries like Australia and Japan have also made unique contributions.

Sixth, the reverse side of the points I have made thus far is that Asians have gained a new regard for the intellectual infrastructure the United States has to offer. For the most part, English is the language of intellectual exchange, and ways of conducting policy deliberations learned from the United States have become the driving force in all the countries involved. To be sure, direct American involvement in the taking of initiatives has, on the surface, considerably diminished, and moves have been made on the Asian side to band together and fend off unwanted American interference. But the United States remains a star intellectual player in Asia Pacific, and its presence as a contributor to intellectual exchange is commanding. The United States is quietly amassing what Joseph S. Nye has termed "soft power" in the region (Nye 1990; Nye and Owens 1996).

Finally, it should be noted that the Japanese, who have been impressed by both the United States' latent power and ASEAN's initiatives, have begun maneuvering to secure a new role for their country. At the nongovernmental level, people are longing for a nonprofit, independent institute of strategic studies; the establishment of such a private-sector think tank has been a pending issue for many years. At the governmental level, people are hoping that the public sector can come up with the policy-making ability that would make Japan worthy of a permanent seat in the United Nations Security Council and ensure that it shouldered all the burdens incumbent on it in the international community. Hopes like these have led the Japanese to regard intellectual exchange with greater

appreciation and to promote such exchange with renewed energy, but these hopes have also exposed the fact that when it comes to the institutions and human resources for carrying forward this exchange, Japan comes up sadly lacking.

### Expansionary Factors

What forces drove intellectual exchange to the center of the Asia Pacific stage so rapidly in the 1990s? I will not go into detail, since there has already been a great deal of study, from the geopolitical and political-economy perspectives, of the structural changes attending the growing awareness of an Asia Pacific community. Still, the basic factors that caused intellectual exchange to flower can be summarized as follows.

Globalization and the cold war's end were the primary motivations. Deepening interdependence and a relative weakening of the sovereignty of the nation-state combined to drive forward intellectual exchange. The old pattern of making threats and promising prosperity proved insufficient for delineating a new international order; multilevel intellectual exchange needed to be promoted so that policy dialogue and joint studies could proceed on an ongoing, multidimensional basis and from a longer-term perspective.

Second, the tendency for international problems to grow more complex, multifaceted, and serious after the cold war's end presented a need for broader cooperation in problem-solving efforts. External and internal affairs became more intimately connected, marking the end of the age when a limited group of public officials could handle international tasks on their own. A wider net had to be cast to draw in wisdom for finding solutions to problems and setting agendas. With the voice of world opinion growing louder, it often proved impossible to predict future developments and plan joint responses without opening a variety of channels to gather information. This situation is reflected in the growing number of public officials contributing to track two in a private capacity, as well as in the recent encouragement of such participation by the NGOs that oversee track two.

In response to the first two vectors of change, the nongovernmental, non-profit sector is on the rise. This is the third factor. Even as politics mediated by parties is losing steam, existing systems are wearing out, and political leadership is weakening, we have entered an age when individuals have diversifying needs and no single answer will suffice. In such an age the nongovernmental, non-profit sector can become a new player filling a vacuum. Because even in policy dialogue this sector is not wedded to concerns about how domestic interests or international relations will be affected, its ability to be a vehicle for securing international solidarity over the long term is gaining importance. Synergy is at work between the growing importance of intellectual exchange internationally

and the growing role of nonstate actors. At the outset I commented on the rise of civil society and the power shift under way among nation-states, international institutions, and the nonprofit sector. This sea change has reached Asia Pacific, although it has not affected all countries equally.

Rapid progress in information technology is the fourth factor. Everybody knows that use of the Internet is exploding. In fact, this network is beginning to pull apart the frameworks of some nation-states. Direct communications links among individuals spanning borders are accelerating the sharing of information and threatening power structures. Coverage provided by news suppliers like Cable News Network is forcing changes in policy agendas and priorities after CNN broadcasts. In a situation where the actors are proliferating, the audience is swelling, and many more elements must be added to policy formulation, intellectual exchange naturally becomes indispensable. With the advance of information technology enabling intellectual exchange to be shared by everybody simultaneously, moreover, there is an accelerating cycle by which one round of exchange calls forth exchange on a higher level.

Fifth and finally is generational change. The evolution of a borderless economy is encouraging the movement of people from country to country. Through the experience of having been abroad, young people today are becoming more sensitive to foreign affairs than the older generation. Intellectual exchange has been accelerated in the 1990s by the advent of this younger generation with the potential to contribute to it, people who take a borderless outlook for granted. In an Asia where economic dynamism spills over into society, intellectual exchange will be drawn forth by the high speed of generational change and the increasing prominence of people familiar with the new culture using English as its language.

## **The Challenge of Trilateral Cooperation: China, Japan, and the United States**

### **The Lacuna**

As we see from the above, despite differences in speed of reaction and degree of progress because of stance and cultural background, no Asia Pacific country has been left untouched by the advance of intellectual exchange in the 1990s. As social diversity has increased with globalization, there has been a worldwide trend toward recognition of the importance of civil society and intellectual exchange. In fact, in the last decade Asia Pacific has been the greatest laboratory of intellectual exchange.

Despite this amazing progress, however, there remains a huge lacuna: a system of cooperation among China, Japan, and the United States, the engines of

Asia Pacific growth and the keys to world stability. As we move toward the twenty-first century, this trilateral cooperation is likely to become the most fundamental issue—not because other countries are inadequate but because these three locomotive countries have an obligation to cooperate with one another to achieve world stability and prosperity, and because their failure to do so would have an impact much greater than that of any other group of countries.

As I have already mentioned in the context of Shibusawa Eiichi, relations among China, Japan, and the United States was a major issue for Asia Pacific stability even before World War II. Nor has this changed since the war. Far from it; their aggregate gross domestic product accounts for almost half of world GDP. There is no need to labor the point that especially today, with China's dramatic emergence on the world stage, these countries' relationship could well have a critical impact on Asia Pacific, and thus on the world. Moreover, both the trilateral relationship itself and bilateral relations among any two of the three inevitably exert an influence on third countries.

Nevertheless, there is still no framework enabling the three countries to sit down together and candidly discuss issues of mutual concern. Indeed, as pointed out in Kokubun Ryosei's chapter in this volume, the relationship remains one in which each country sees the others as "problems." There is a robust pipeline between Japan and the United States, but relations between China and Japan and between China and the United States are unstable; these countries are linked by only tenuous and discrete threads, symbolized by sister cities and goodwill programs (Masuda and Hatano 1995). The triangle joining the three is not equilateral, and only one side is sturdy; this lopsided triangle can be shattered at any time by conflicting political interests. Instead of a triangle with a firm framework consisting of trilateral relations integrated at various levels, we have only the vague suggestion of a triangle comprising lines of extremely limited bilateral relations. In other words, bilateral relations have merely been joined up to create the semblance of a triangle; there is no substance to it.

There is still no close track one trilateral cooperation. It is true that all three countries fill important roles in such track one institutions as APEC and ARF. China's accession in particular has given added meaning to these and other multilateral forums. Further developing the existing track one multilateral institutions will continue to be the most realistic and important option, but whether that will promote trilateral cooperation is moot. Certainly cooperation among China, Japan, and the United States, the central actors, is needed to prevent the framework of multilateral cooperation from collapsing. But this also means that unless the format of cooperation among the three is well thought out, attempts to cooperate can easily touch off conflict instead. In short, track one multilateral cooperation is a necessary but not a sufficient condition of trilateral cooperation. It is crucial that such cooperation, as the substructure rather than the superstructure of multilateral cooperation, be built consciously and

simultaneously, otherwise trilateral cooperation may never be realized. The hurdles to track one cooperation remain high, but all three countries need to persist in conscious, forward-looking efforts to surmount them.

Meanwhile, initiatives toward trilateral intellectual dialogue and cooperation by means of the more-flexible track two have only just begun. The *Dialogue Monitor* notes that track two security dialogue focused on these three countries began to be seen in 1996, but in the last year or two there have been fewer than ten small-scale dialogues. As I shall discuss below, such structural problems as insufficient actors and funds are hampering dialogue, probably because learning to think in terms of a new trilateral framework takes time. There is still no trilateral cooperation even in track two intellectual exchange, in which free-wheeling discussion and agenda-setting initiatives should be possible.

### Track Two Trilateral Intellectual Exchange

A trilateral cooperative relationship will not develop of its own accord. Cooperation is difficult to begin with, since it involves three major powers with differing ideologies, social systems, values, and historical relationships. A solid trilateral cooperative relationship—one that neither threatens nor excludes other countries—cannot be achieved without conscious effort over time. That is clear from the present situation. It is equally clear from both history and the status quo that leaving things as they are is undesirable.

What, then, should be done? Again I suggest reinforcing three-way intellectual dialogue through track two, diversifying the channels of intellectual exchange. The first step is to invest time in discussing what kinds of cooperation can deepen mutual understanding and build confidence without making other countries uneasy. It took nine years of incubation through PECC before APEC could become a reality. China-Japan-U.S. cooperation, too, must go through a mid- to long-term trial-and-error process.

The keys are flexibility, continuity, and respect for one another's standpoints and for the process of consensus building in the search for ways to achieve cooperation. There is no need to elaborate on the difficulty and complexity of the problems separating the three countries. Moreover, given the present lopsided emphasis on political issues between China and Japan and between China and the United States, we cannot be optimistic about the prospects for improved relations. This is all the more reason that the seemingly roundabout method of intellectual exchange is the appropriate way for all three countries to begin the search for trilateral cooperation.

The time is ripening. Growing awareness of the value of track two is emerging in China, and we now hear frequent statements that China's most important relationships are those with Japan and the United States. Japan has learned

the importance of track two intellectual exchange. It is obvious that Japan's most important relationships are with China and the United States. The United States pioneered track two and considers a stable relationship with Japan fundamental, but is having a hard time finding a way to build a relationship with China.

All three countries have begun to realize that close cooperation is necessary. What is required is conscious intellectual effort to keep relations among them from ending up as a "zero-sum triangle" linking them by hostility and to develop the relationship instead into an enriching "plus-sum triangle." To create a substantive triangular framework, it is crucial that all three countries engage one another simultaneously and work together on a variety of tasks. This means track two intellectual exchange must take the initiative in setting agendas for joint tasks and engage in freewheeling discussion of means to resolve problems.

In the spring of 1997, Japan approached the United States about holding a China-Japan-U.S. summit on security in Asia Pacific. The United States did not react to the suggestion, but in August made a similar proposal to China. China nixed the idea and proposed instead that trilateral discussion begin first among scholars. This scenario exemplifies my point that in the trilateral relationship track two must precede track one.

## Structural Problems

Many problems must be surmounted. Not only is there no clearly defined shared orientation toward the future, but many historical, or structural, problems exist, as well. The first priority is to initiate dialogue to identify the issues per se. However, three structural problems in particular which may hamper intellectual exchange need to be addressed.

### *Diversification of Actors*

The first is the paucity of actors capable of engaging in dialogue and research on all three countries. The pool of actors engaged in bilateral exchange is inadequate to cope with trilateral exchange.

Comparing China-Japan, China-U.S., and Japan-U.S. exchange, we see that the third is the most active and diverse; the other two, reflecting political conditions, have always been tortuous and torn by the participants' "friend or foe" stance. In Japan's case, for instance, advocates of China-Japan exchange almost never appear in forums on Japan-U.S. exchange, and vice versa. At the risk of being misunderstood, I would go so far as to say that even in the case of researchers and other experts, Japanese researchers of China and Chinese researchers of Japan are unfamiliar with the United States, Japanese researchers of the United States and American researchers of Japan know little about China, and Chinese