

# The Beginning of a New Era in East Asia : A Mongolian View\*

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Just 10 years are left until the coming of XXI Century. The international community has undergone a number of significant changes in recent times. These developments include the end of the Cold War in Europe, detente between the Soviet Union and the United States and the democratic reforms in the Soviet Union and Eastn Europe. These developments all have important implications for Asia-Pacific countries and have inspired a number of interesting changes in the region. Tensions have been eased, and the Soviet Union is no longer considered to be a threat in most of the countries of the region. Although the United States continues to have a strong military presence in the region, it has begun to reduce its security role. Regional conflicts, among them those in Korea and Cambodia, are slowly winding down, while at the same time various proposals for economic cooperation are being actively pursued.

Economic integration and political dialogue of the Asia-Pacific region are far behind similar processes in Europe. As we know, from 1992 the European Common Market will be in force. European countries will have a common currency. Goods and labor will move freely among them. The Paris Charter of 1990 was concluded due to the

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European Helsinki process, which began in the middle of the 1970s. Now a widely discussed question is whether such process on TS. BATBAYAR Director, Institute of Oriental and International Studies, Mongolian Academy of Sciences Security and Cooperation in the Asia-Pacific Region is possible as it was in Europe.

Compared with Europe, the situation in the Asia-Pacific region is very complicated. But we have some helpful experience of cooperative mechanisms in our region. Among South Asian countries SAARC and among South East Asian countries ASEAN both of which are functioning successfully. Such a multilateral cooperation mechanism is desperately needed for Northeast Asian countries.

In East Asia the interests of 3 permanent members of the Security Council of UN are importantly engaged. At the same time these countries represent 3 of the 5 nuclear powers. In addition, one of the world's leading economic powers, Japan, is situated here. Asian NIEs and ASEAN countries economic performance also is a determinant factor of the Asia-Pacific region.

How will East Asian regional cooperation develop in the years until 2000 and beyond it? It will depend mainly on the policies of USA, the Soviet Union, China and Japan. This can be explained by specific conditions of that region. There is no guarantee that Soviet-American relations will play a determinant role in East Asia, as it did in Europe. At the same time it is hard to believe that Japan will push the East Asian process as West Germany did in Europe. After all, except on the Korean Peninsula, such European confrontation between two systems and two military alliance was never true for East Asia.

In spite of much talk about the decline of American might, the

USA possesses a strong military and economic power in the region. American bilateral agreements with Japan, South Korea and the Philippine and American military bases in these countries continue to play an important role in US regional strategy. "US strategy in Asia-Pacific Region for XXI Century" adopted by Washington (April 18, 1990) contains a number of new trends. Among them the US will reduce its conventional forces until the year 2000 along with strengthening its military-strategy ties with Japan and other friendly countries of Asia.

The striking difference from the Soviet Union is that the United States has a very strong position in the Asia-Pacific economy. It is a real factor. The American market is of great significance for Asian NIEs and ASEAN countries. The US also is very attractive for investors from Asian countries. However, the American's huge trade deficit with those countries has become an acute economic problem. By 1995 Taiwan, South Korea and Japan will still be running a combined \$ 100 billion surplus. There is increased discussion of the need for regional economic integration centered around Japan, which would help free the countries of East Asia from reliance on the US market.

After Vladivostok initiatives in 1986, the Soviet policy in the Asia-Pacific region is intensifying in several directions. First of all, the Soviet Union has made efforts to improve its bilateral relations with all the countries of Pacific-Asia. Soviet-Chinese relations were normalized and some confidence-building measures have been implemented along Soviet-Chinese border lines. The establishment of diplomatic relations with the Republic of Korea in 1990 is expected to affect not only the bilateral relations between the two countries

but also the multi-lateral relations among the countries in the region. Although Gorbachev's April visit to Japan this year didn't bring the breakthrough in its relations with Japan, it will push peace treaty negotiations including territorial questions.

On the other hand, Soviet economic presence in the region remains a minimal one. Drastic changes can not be expected in the near future. The Soviet Union is trying to improve the situation with the help of South Korea. The leaders of the two countries in their third meeting within one year (April 19, 1991) have agreed to realize several big projects in the Soviet Far East and Siberia with the involvement of third countries. It is expected to increase bilateral trade to \$ 10 billion until the mid 1990s.

The significant changes in the PRCs foreign policy in the 1980s, especially full normalization of its relations with the Soviet Union, have had a great impact on the entire situation of the region. Although the Tiananmen Incident of June 1989 was very harmful to its international standing, today China is recovering from this brief isolation period. The latest evidence of this is president Bush's June 3d decision to retain China's MFN status.

The recent visit of the General Secretary of CCP Jiang Zemin to the Soviet Union has demonstrated that Sino-Soviet relations have a clear tendency to expand politically and economically. It influences favourably the overall situation in East Asia, especially easing tensions on the Korean Peninsula and resolving of the Cambodian conflict. It also made possible such CBM by establishing normal condition along the 3700 km long Sino-Soviet border line and by reducing border troops from both side concentrated there in previous years.

Such development enables the Soviet Union to speed up its troops pull-out from Mngolia. In fact, it will be completed this year and not in 1992 as it was expected.

China has taken "the initial step" of integrating China into the international economy after decades of relative isolation. Active participation in Pacific economic cooperation is the logical outcome of China's foreign policy of opening up to the outside world. At present, China's trade with the Pacific region accounts for over 70% of its total, and over 80% of foreign investment in China also come from here. No doubt, China is following with close attention developments in this vast region. China is a full member of PECC and regained its seat in the Asian Development Bank. China is also trying to expand its economic relations with ANIEs and ASEAN countries, especially with Taiwan and South Korea. China is confident that it will take an active part in international division of labor in the Asia-Pacific region and make its own contributions to Pacific growth.

As we look at Japan, what will be Japan's role in the 1990s and in the XXIst Century? This question preoccupies most of the Asia-Pacific nations. There is a lot of talk comparing Japan in Asia to Germany in Europe. The real reduction of the armed forces of both superpowers the US and the Soviet Union in the Asia-Pacific, will expose the question whether Japan will become military power.

The striking challenge to Japan is to play a political role in the regional and global scene corresponding to its status as the second-largest economy in the World. The recent war in the Persian Gulf has yet again revealed the inability of Japanese leaders to take responsibility in extreme situations. The United States and other western

countries expected Japan to provide more than just a financial contribution and to be prepared to deploy its Self-Defense Forces in the Persian Gulf. But Japan is not yet ready to participate militarily in global affairs because of its domestic political pressure and the anxiety of its Asian neighbors of Japanese military adventurism.

No doubt, economic activity will continue to be the focus of Japan's role in the region. In such circumstances, as the European Common Market starting from 1992 and US-Canada-Mexico free trade zone discussed in North America, Japan itself should be interested in promoting regional economic cooperation. Japan has to enhance its official development assistance and to open up its market to exports from the countries of the Asia-Pacific region. It is vital that the Japanese support the PECC and APEC in order to uphold their leading role in the region. In the political arena, Japan is pursuing its global partnership with the US and at the same time it is intensifying its relationship with ASEAN and other Asian countries. Compared to the past, Japan today is ready to take part in the process of eliminating regional conflicts, especially Cambodian and Korean conflicts.

Improved relations with the Soviet Union and concluding a peace treaty with Moscow is of vital importance for the Japanese in their search for an adequate political role in regional and global political arena. It is a waste of time to discuss who will win much from improved Soviet-Japanese relations. The recent visit of president Gorbachev to Japan indicates that time and mutual efforts are required for a breakthrough in the bilateral relations.

On the Cambodian issue, Japan rightly feels its responsibility to take a initiative. A meeting held in Tokyo in June 1990 clearly in-

icates that Japan is more ready now than it was in the past to be involved in efforts to resolve regional issues. Also, the Japanese are sure that they are expected to play an important role in the economic reconstruction of Indochina.

On the Korean Peninsula, which is an important geopolitical junction for Japan's security and economy, Japan intends to take the initiative in improving relations with North Korea. Of particular concern is the danger that North Korea will develop nuclear capabilities, inducing South Korea to do the same. If this happens, Japan will find itself surrounded by four nuclear powers; therefore Japan insists in the opening of North Korea's nuclear facilities to IAEA(International Atomic Energy Agency) inspection. One noteworthy fact is that if North Korea enters full diplomatic relations with Japan this will result in Pyongyang's acceptance of the idea of "cross recognition". Then inter-Korean dialogues can be carried out on the basis of acknowledging the status quo of the territorial division of the Korean Peninsula.

In recent times, ASEAN countries are raising strong voices that Japan should begin to develop ideas for broad regional dialogues. For example, a Singaporean scholar proposed that it may be time for Japan to take the initiative in organizing a "Conference on Security and Cooperation in the Asia-Pacific Region"(CSCAP) to act as an advisory forum on political, economic, and security-related issues.<sup>1)</sup>

As mentioned above, the future prospects East Asian regional cooperation depend largely on the policies of 4 major powers. The brief analysis of 4 countries foreign policy indicates the following main tendencies. First of all, de'tente between the Soviet Union and the USA provides a favorable atmosphere in the whole region. No doubt, the two super-

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1) Lan Teik Soon, Japan's Role in the Asia-Pacific Region, in: Japan Review of International Affairs, Vol. 5, 1991 pp.61-61.

powers are ready to substantially cut each of its conventional forces in the region.

Second, if we take each of the bilateral relations between the countries of the region it has improved greatly in recent times. It is true even for the Soviet-Japanese relations, where the recent visit of the Soviet leader to Japan has opened the way for regular high-level talks. Certainly, one cannot deny, that each of bilateral relations contains its own problems along with benefits for both sides.

Third, the improved bilateral relations between the four big powers influences favorably the resolving of regional disputes, including the Korean Peninsula and Cambodian conflicts. Neither of these countries wants to preserve the source of tension between them. Some of them are even trying to take the initiative in settling long disputed regional problems.

Fourth, the main characteristic of these countries is the primacy of economics, economic issues which dominate over political ones. Therefore, trade and investment, rather than security concerns, will be in command.

These and other tendencies clearly indicate that a new era is coming in the context of East Asian regional cooperation.

In this connection, foreign policy activities of Republic of Korea, especially its "Northern Diplomacy" deserves special attention. Although the so-called Nordpolitik didn't give practical results in the 70s and the first half of the 80s, it was enriched with new content from 1988. President Roh Tae Woo in his 1988 inaugural address proclaimed a new beginning, "an era of hope, which will see Korea, once a peripheral country in East Asia, take a central position in the inter-

national community".<sup>2)</sup>

The "Northern countries" that this policy is designed to address primarily consist of North Korea, the Soviet Union, the East European countries, China, and Mongolia. In a narrow sense Seoul's northern diplomacy can refer to its efforts to improve relations with China and the Soviet Union and other eastern countries, but in a broader sense it refers to South Korea's policy designed to create a favorable condition to promote the unification of the Korean Peninsula. Otherwise, if both the South and the North promote exchanges and cooperation with allies of the other side then inter-Korean dialogues and negotiations can progress more smoothly.

This Northern policy has revealed adaptability to needs of real politics by producing remarkable results in 1989-1990. South Korea successfully normalized its relations with the Soviet Union and East European countries in a relatively short period. The establishment of diplomatic relations between Mongolia and South Korea on March 26, 1990 indicated that the Northern policy was productive not only in Europe, but also in Asia. However, such accomplishments of the Northern policy can be explained not only by one way efforts, but by two way movements toward each other. That is, the winds of democratization and reform that are sweeping through the Soviet Union, Eastern Europe and Mongolia have paved the way for success of Northern policy.

And last, let me offer some ideas about Mongolia's foreign policy, especially its Asian policy in the light of new international conditions. In my opinion, there are several factors, which help to form a new international environment for Mongolia. Perestroika in the Soviet Uni-

2) The Presidential Secretariat of the Republic of Korea, ed., *Korea: A Nation Transformed* (Seoul: Donghwa Publishing Company, 1990), pp.57-64

on and process of democratization in East European countries let Mongolian foreign policy be freed from ideological ties and bring its objectives to needs of real politics. Also, detente between the Soviet Union and the USA, between East and West has created a favorable condition for Mongolia to change its one-sided orientation and to enlarge its foreign relations according to widely accepted international norms.

Mongolia's unique geostrategic location between two giants mainly dictates its foreign policy behaviour. The process of normalizing bilateral relations between China and the Soviet Union, between China and Mongolia, and withdrawal of Soviet troops from Mongolia creates a completely new situation in the strategic environment of Mongolia. In these new circumstances, Mongolia has to develop equal, mutually beneficial and good neighbourly relations with two of its neighbours. Such a relationship offers both opportunities and challenges for Mongolia. Mongolia will benefit politically and economically from improved relations with each of its neighbours, especially China. But Mongolia will face a challenge of how its security will be provided in the future.

These are considerable changes in our relations with other countries of the region. A lot of work needs to be done in the near future. It is sufficient to point out that Mongolia doesn't have diplomatic relations with 1/3 of the Asia-Pacific countries—mainly small island nations. Also, Mongolia economically cannot be considered as a Asian country. Only 3-4% of trade-turnover of Mongolia is conducted with Asian countries. Therefore it is vital for Mongolia to develop all-round cooperation with East Asian countries.

The establishment of diplomatic relations with the Republic of Korea is a breakthrough for Mongolia's foreign policy, especially its Asian policy. It indicates a real approach to politics. Important practical steps have been done in the bilateral relations in a short period. During the visit of Mr. Gombosuren, — Minister of Foreign Relations, in March of this year to Seoul, a number of agreements, including one about the mutual protection of investment, was signed. These are forming the real basis for further stable relations between our two countries.

During a little more than one year, our relations with South Korea in the fields of economics and trade and science and culture have produced practical results. There are some signs that South Korean businessmen are interested in the Mongolian market. But it is also true that they are not so eager to invest capital and to organize a joint venture with Mongolian counterparts.