The New Asia

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Reality or myth?

Tommy Koh begins our special by presenting a strong case for the emergence of a new Asia, with evidence of rapid economic and social development. The following articles look at the ambivalent legacy of colonialism and how the rule of law is developing in different—and potentially troubling—ways in this new Asia.

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To Asians of my generation, the contrast between Asia today and Asia fifty years ago is like that between day and night. Fifty years ago, I was a child of the British Empire. If someone had asked me then whether I could imagine a day in my lifetime when Singapore’s per capita income would exceed that of Great Britain, I would have said, "Impossible." Some thirty years ago, I was a student at Harvard University. If I had been asked then whether I could imagine a day in my lifetime when Singapore’s infant-mortality rate and maternal-mortality rate would be lower than those of the United States, I would have said, "Not in my lifetime."

Surprisingly, these changes which had seemed impossible to achieve have become realities. This miracle has happened not just in Singapore but in most of the countries of East Asia—Japan, Korea, China (including Taiwan and Hong Kong), and the ten countries of Southeast Asia. The countries of South Asia and West Asia have not yet experienced the transformation which East Asia has undergone in the last thirty years. The changes in East Asia have been so dramatic and have happened in such a short time that their significance has not been fully grasped by many friends in the West. Thus, many in the West have dismissed the concept of a "new Asia" as an empty slogan.

Is East Asia today economically, socially, politically, culturally, and psychologically different from the East Asia of thirty years ago? I believe it is. I believe that the concept of a new Asia is not a myth, but a reality. Consider the following facts.

First, let us look at East Asia’s share of the world economy. In 1965, East Asia contributed only 9% to the world’s combined GNP. In 1975, the percentage had gone up to 15%. By 1995, East Asia had almost caught up with North America and the European Union. Their shares of world GNP were 25%, 29%, and 29% respectively. These percentages are calculated on the basis of nominal GNP. If we were to use purchasing power parity, the shares would be 25.7% for North America, 21.9% for the European Union, and 26% for East Asia.

Second, if we look to the future, East Asia’s rise in the world economy is even more impressive. Assuming that North America and Western Europe grow at the average annual rate of 2.5% and East Asia at 5%, East Asia will overtake North America and the European Union in the year 2000. By the year 2029, East Asia’s economy will be larger than those of North America and the European Union combined.

Third, East Asia has a remarkable record of poverty reduction. According to UNDP’s 1997 Human Development Report, China succeeded in reducing the percentage of its population living below the poverty line from 33% in 1978 to 7% in 1994. In the Republic of Korea, the percentage dropped from 23% in 1970 to 5% in 1990.

In Malaysia’s case, the percentage dropped from 60% in 1970 to 14% in 1990. Indonesia reduced the percentage from 60% in 1970 to 15% in 1990. In Singapore, the percentage dropped from 31% in 1972 to 10% in 1982. Therefore, in East Asia, poverty has been drastically reduced. East Asians have broken out of the poverty trap.

Fourth, the progress which East Asia has made in reducing adult illiteracy has been equally impressive. The Republic of Korea reduced the percentage of adult illiteracy from 12% in 1970 to 2% in 1995. In Thailand, the illiteracy rate dropped from 21% in 1970 to 6% in 1995. In the Philippines it was 17% in 1970 and 5% in 1995. Indonesia saw a significant drop from 46% in 1970 to 16% in 1995. East Asia has invested heavily in education and this investment has paid dividends.

Fifth, the infant mortality rate is often taken as a yardstick of public health. Some of the best improvements in the reduction of infant mortality were made by countries in East Asia. Calculated on the basis of the rate per 1,000 live births, Singapore’s infant mortality rate declined from 36 in 1960 to 5 in 1994. Brunei progressed from 63 in 1960 to 9 in 1994. Malaysia moved from 72 in 1960 to 12 in 1994.

Sixth, with economic prosperity, a better educated population, and a growing middle class, the region’s political institutions are evolving towards greater openness, participation, and accountability. The ideal of democracy is widely accepted, although how it can be translated into practice depends upon the context, history, and culture of the country in question. Whatever the form of government, however, all East Asians want to live under good government. They reject tyranny, corruption, and incompetence. East Asians will evolve their own concepts of good governance.
Seventh, culture and the fine arts have become important components of the national agendas and individual aspirations of those in East Asia. The arts are blooming. New art centers are being built. Festivals are being staged. A cultural renaissance has begun.

Eighth, East Asia is liberating itself psychologically from the Western dominance of the last 200 years. One manifestation of this trend is the willingness of Asians to celebrate their cultural heritage. Another is the willingness of some Asian intellectuals to join the debate with their Western colleagues on issues such as human rights or democracy and to articulate distinctly Asian points of view. While respectful of the West and keen to continue to learn from the West, more and more Asians no longer feel inferior to the West. They feel that the time has come for Asia and the West to communicate with each other on the basis of equality and mutual respect.

I hope I have been able to persuade the reader that in the last 30 years East Asia has undergone a systemic and profound change. East Asia has emerged from a long night of subjugation, poverty, backwardness, and pessimism into the dawn of prosperity, progress, optimism, and self-confidence. If the East Asian miracle is a reality, why are there still people who remain cynical or skeptical?

There are perhaps several reasons. Some are skeptical because they are ignorant of the facts. Others are skeptical because they mistakenly think that the prosperity is artificially created by an unsustainable injection of massive capital. Nor do I rule out the possibility that there may be some in the West who cannot reconcile themselves to the fact that Asians, whom they have viewed historically as an inferior people, could have accomplished such a great feat in such a short time.

Is the East Asian economic miracle sustainable? The World Bank and some other reputable international organizations seem to think so. However, I see two dangers for East Asia. First, East Asians may become smug and complacent. Secondly, countries in East Asia may forget their economic fundamentals—namely, the need to pursue sound macroeconomic and fiscal policies. The current turmoil in the foreign-exchange markets faced by the currencies of the ASEAN countries is a salutary reminder of these two dangers.

In what direction will East Asia evolve? The future is inherently unpredictable, so I will not predict the future of East Asia. I have, however, several scenarios of this future. My rosy scenario of East Asia in the 21st century is an East Asia which is prosperous and just, peaceful and cooperative, self-confident but internationally minded, economically advanced but environmentally healthy, with a people who are gracious and culture-loving. ■