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## PACIFIC OPTIMISM Part I: America after Vietnam: Confidence Regained

by Donald K. Emmerson

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**In the judgment of most Americans with a professional interest in the Pacific, the economies of noncommunist East and Southeast Asia have been extremely successful, and will probably continue to out-perform the rest of the world. This attitude, which the author calls "Pacific optimism," has some basis in fact. But it can also be seen as a subjective adjustment to the experience of defeat in Vietnam.**

"Pyrrhic victory" is a familiar term. Unfortunately, it has no opposite. For lack of its own eponymous hero, the idea of a defeat that is fortuitous or merely temporary remains un-preserved.

Fortunately, for my metaphorical purpose, Pyrrhus had an enemy....

### Quitting Saigon— A Demetrian Defeat?

In the eastern Mediterranean, during the late fourth and early third centuries B.C., while Pyrrhus of Epirus was making himself famous for costly victories, a less well-known opponent of his, Demetrius I of Macedonia, managed to show on the contrary how inconsequential defeat can be. Whether in Gaza or off the coast of Egypt, on Rhodes or at Ipsus, off Attica or in Aetolia, after each of his failures in battle, Demetrius was able to recoup. Sometimes he found himself better off after a loss than he had been before.

Once, for example, to escape from Pyrrhus' victorious army, Demetrius had to flee his own camp in disgrace. His wife, despondent, poisoned herself. But by quickly allying himself with a former adversary, he shifted the balance of power back in

his favor—and acquired a new wife to boot.

Demetrius also showed ingenuity on the battlefield. Although he failed to bring the people of Rhodes to their knees by laying siege to their city, the "gigantic machines" that he used to assail the defenders' walls were admired widely. Overlooking the actual outcome of that contest, people called him "The Besieger."

Finally, Demetrius committed himself to wage a land war in Asia Minor. What defeated him this time was not the superiority of his enemies but the refusal of his own people to support his misadventures any longer. Abandoned by his troops, he had to surrender. But this too turned out to be a sweet defeat. He became a respected prisoner, living in a royal residence and hunting game in an adjoining park.

After several years of bucolic confinement, Demetrius died, but not at the hand of any foe. He ate and drank himself (happily?) to death. He also lived longer than his "victorious" rival, Pyrrhus, who was decapitated in combat against Antigonus, one of Demetrius' sons.

Morally less corrupt than Demetrius, more disciplined, and a more tenacious fighter, Pyrrhus was regarded as one of the greatest generals who had ever lived. But his appetite for territory could not be satisfied. Accustomed to winning, Pyrrhus did not know when to stop. To paraphrase what Antigonus said of him, Pyrrhus was like a gambler who threw the dice so well that he lost sight of the larger game and wound up broke.<sup>1</sup>

Consider the similarities between the story of these ancient warriors

and the recent history of the United States and Vietnam in Southeast Asia. Washington's "gigantic machines" (B-52s) could not compensate for the opposition that grew among Americans, who were appalled by their government's full-scale land war in Indochina, and who lacked the spartan discipline of the North Vietnamese or the Vietcong. Ignominiously, in April 1975, the United States fled its own camp.

In light of what would happen after the last evacuee had been helicoptered off the roof of the U.S. Embassy in Saigon, it could be said that North Vietnam suffered a Pyrrhic victory, while America enjoyed a Demetrian defeat.

Their own heady experience made the leaders of newly unified Vietnam cocksure. Expecting to continue to prevail by being tough, they cracked down on middle class elements, tightened control over Laos, invaded and occupied Cambodia, fought a border war with China, and raided refugee camps inside Thailand—all the while tolerating if not encouraging a massive exodus of fugitives, political and economic.

Hanoi emerged from these events with its long-standing goal of independence compromised by alignment with the Soviet Union and its hopes for national development wrecked by a combination of natural disasters, official intransigence, and economic isolation from China, Japan, and the West. As the editor of Vietnam's communist party newspaper *Nhan Dan* lamented in 1980, "No one wants to give us any more credits, or trade with us."<sup>2</sup>

Among those chiefly responsible for ostracizing Vietnam was the American "Besieger," who shifted the balance of power in the region against Hanoi by making a "new wife" of the very enemy, China, against whose presumed expansionism Washington had gone to war in the first place. Compared to Indochina's Pyrrhic victors, Americans were at least able to live out their days in relative splendor, like Demetrius, whom they imitated to the point of indisposition with economic gout brought on by over-indulgence in guns and butter.

These thoughts on the aftermath of the Vietnam war may seem too

sanguine. But by the early 1980s, in America, such an upbeat verdict was no longer unusual. On the contrary, it had become part of a larger ambience of optimism about the noncommunist nations of the Pacific—their economic growth and, to a lesser degree, their political stability. Nourished in the late 1970s, when Jimmy Carter was in power, that optimism would flourish in the new decade—in the speeches of officials, the expectations of business people, and the reports of journalists and scholars.

As Carter's Undersecretary of State put it, "The Pacific Basin is part of the world where, for the United States at least, the positive elements outnumber the negative."<sup>3</sup>

### Japan and the Dragons—Looking Good

Japan's material accomplishments were, of course, well known. *Japan as Number One* became the first of several best-selling efforts to learn the secrets of Japanese success. Articles in mass-circulation magazines asked "How Japan Does It—And Can We Do It Too?"<sup>4</sup>

Observers also praised the "economic miracles" of South Korea, Hong Kong, Taiwan, and Singapore. In August 1981, an article in *Fortune* entitled "Make Way for the New Japans" called these four countries the "most dramatically successful" industrializers in the less developed world. Their economies, the *Fortune* writer noted, had expanded at an average annual rate of 9.4 percent in real terms in the 1970s (compared to 6% in Japan and 3% in the United States). The author expected that the "export momentum of this Asian gang of four" would speed them through the 1980s at a 7-9 percent yearly clip, "making them fully developed industrial states" by the end of the decade.<sup>5</sup>

On the pages of other U.S. business and trade periodicals, similarly positive assessments of South Korea, Hong Kong, Taiwan, and Singapore were not hard to find.<sup>6</sup> Nor were these four "little dragons"—prodigal offspring of Confucian China—the only fire-breathers in the region. Malaysia, the Philippines, Thailand, and Indonesia joined them to make a high-performing "Pacific Eight." While most of the rest of the world suffered low, zero, or negative

growth, these eight countries did surprisingly well.

To illustrate: In 1979-1981, in its annual surveys of less developed regions, *Business Week* pictured Latin America as ravaged by hyperinflation, the Middle East and North Africa as politically unstable, Black Africa as about to collapse, India as a crippled giant...and noncommunist East and Southeast Asia as "the stars of the developing world." While admitting that the Pacific Eight too had been hurt by inflation, *Business Week* admired their "concerted" and "mostly successful" effort to cope with rising oil and wage bills—by making production more energy-efficient and less labor-intensive, by adjusting exchange rates to boost exports, and by improving regional economic cooperation through joint projects and reduced tariffs.<sup>7</sup>

Not only Americans were impressed with, for example, South Korea. A Japanese writer agreed with an American one that Korea was a "second Japan," while the editors of the influential British *Economist* likened Korea to Horatio Alger.<sup>8</sup>

Once a mere speck in China's foreground, Hong Kong became a global exemplar. More than any other country, wrote political scientist Alvin Rabushka, Hong Kong resembled "the textbook model of a competitive market economy, encumbered only with the barest overlay of government." There was "simply no more exciting city on the face of the earth than Hong Kong"—although he worried about the tendency, present even in the world's "most robust bastion of free-wheeling capitalism," for government to get bigger and spend more.<sup>9</sup>

Economists also were enthusiastic. In their best-selling book and television series, *Free to Choose*, Milton and Rose Friedman praised Hong Kong as the twentieth century's finest example of prosperity through laissez-faire, while P.T. Bauer used the city-state's achievements to refute the idea that comprehensive planning and foreign aid were indispensable to economic growth.<sup>10</sup>

In the case of Taiwan, economic recognition followed political de-recognition. Once Washington, by normalizing relations with Beijing,

had formally abandoned Chiang's pretense of ruling China, Taiwan's prosperity could be appreciated as something more than just a reproach to Mao. No longer an outpost of the Free World against international communism, Taiwan could be seen as a model for the Third World against domestic poverty.

Having hailed Japan in 1970 as an "emerging superstate," futurist Herman Kahn pronounced Taiwan, South Korea, and pre-oil-shock Japan "heroes of development," and likened their economies to thermodynamically perfect engines from whose operation rich and poor countries alike had much to learn.<sup>11</sup>

In a book devoted to Taiwan's example, East Asian specialist Chalmers Johnson described the island's development strategy as "one of the soundest ever created" and "a model for the underdeveloped nations." He felt "certain" that "economic prosperity will make all Taiwanese into some of the richest people on earth."<sup>12</sup> Admiration for Taiwan's success spread even to Beijing.<sup>13</sup>

Of the four dragons, Singapore was the youngest, the smallest, and in some ways the feistiest of all. A sovereign city-state only since 1965, with a population merely half the size of Hong Kong's, Singapore raised its Gross Domestic Product (GDP) per capita at constant prices by annual averages of 8.7 percent in 1966-1970 and 9.3 percent in 1971-1974.<sup>14</sup> In the late 1970s, despite worldwide inflation, Singapore managed to accelerate its rate of real GDP growth from 8.6 percent in 1978, through 9.3 percent in 1979, to 10.2 percent in 1980.<sup>15</sup> No dragon grew faster, while in all of Asia, only Japan enjoyed a higher standard of living. Compared not with other nations but other cities, Singapore "very possibly" had the highest living standard in the world.<sup>16</sup> Popular magazines described the island as a "jewel of prosperity"—a "miniature superstate."<sup>17</sup>

If Singapore could repeat the Japanese miracle, why couldn't the rest of Southeast Asia? In fact, hadn't Malaysia, the Philippines, Thailand, and Indonesia—Singapore's fellow members in the Association of Southeast Asian Nations (ASEAN)—begun to do just that? Positive answers to these questions

cast the neighborhood of Washington's 1975 debacle in a new and promising light. Boom dispelled gloom, and America's Demetrian comeback got under way.

#### ASEAN—Another Success

That Americans used ASEAN to sweeten the bitter memory of Saigon is not to suggest duplicity. Made upon his return from a trip to the Philippines, Thailand, and Indonesia, the following remarks by then-Vice President Walter Mondale sounded sincere. "I saw," he said,

*a vastly different Southeast Asia when I last visited the region in 1966. For many Americans, at that time, Southeast Asia meant violence, instability, and corruption. Ideological conflict was uncertain. Regional cooperation was a mere aspiration....*

*What I have seen in the past ten days reveals dramatically how far Southeast Asia—and we, the American people—have traveled in a few short years. The United States is at peace in Asia.... Old ideological struggles have lost their force.... The most intense regional rivalries now pit Communist nations against each other.*

*The Pacific basin has become the most dynamic economic zone in the world.... ASEAN has moved into a period of substantive accomplishment.... Japan's economy continues to provide an engine of growth.... China has become an increasingly constructive force....*

*These are hopeful trends.*<sup>18</sup>

Observers who focused on politics tended, on the whole, to be more skeptical than those interested in the economics of the Pacific region.<sup>19</sup> But, as Mondale's comments showed, there was room in the new outlook for both kinds of acknowledgments. Alongside a primary emphasis on growth and prosperity, peace and stability were also recognized.

The treatment of these two themes in a featured story in the *New York Times* typified their relative importance in the literature of Pacific optimism. The *Times'* front-page headline struck an economic note: "In Mosaic of Southeast Asia, Capitalist Lands Are Thriving." But inside, "Non-Communist Countries" replaced "Capitalist Lands," and the

article continued under a headline with political connotations. The story itself summarized impressions of noncommunist Southeast Asia gathered by correspondent Henry Kamm over more than a decade. Most notable to him were, first, the upswing in living standards, and second, the state of peace.<sup>20</sup>

Future stability was harder to demonstrate than current peace, but one could anticipate good news on that score too. "I think," said the Secretary of the Navy only two years after the fall of Saigon, "that overall we can look toward a decade of relative stability with optimism"; and the sites of probable tension that he mentioned were in East not Southeast Asia.<sup>21</sup> Noting that Ferdinand Marcos, Lee Kuan Yew, and Suharto were still in power in the Philippines, Singapore, and Indonesia (respectively), T.D. Allman suggested that they might have "a thing or two" to teach Richard Nixon and the Shah of Iran—not to mention Cambodia's Pol Pot.<sup>22</sup> According to then-Undersecretary of State David Newsom, one reason why the "dominoes" of ASEAN had not fallen was because they had concentrated on developing "effective political institutions."<sup>23</sup>

Beyond noticing peace and stability, Vice President George Bush carried political enthusiasm to an extreme when he told President Marcos, "We love your adherence to democratic principle and to the democratic processes."<sup>24</sup> But that was rare. Most Pacific optimists were less interested in the domestic politics of a particular country than in regional, geostrategic considerations.

This was particularly true of President Reagan and his officials, who saw in ASEAN, aside from economic success, a defense against "the Vietnam threat."<sup>25</sup> In this light, in their eyes, ASEAN was "one of the true success stories of the world in the past decade,"<sup>26</sup> a "strong and durable organization"<sup>27</sup> whose newly tested cohesion—"perhaps the most positive development in Southeast Asia over the last six years"<sup>28</sup>—was "good for the free world."<sup>29</sup>

At about the same time, another spokesman of the Reagan administration, Secretary of State Alexander Haig, buried America's Vietnam

trauma by announcing that a period of profound self-doubt in the United States, which had "transmitted itself to others who depended on us," was finally over. That American self-esteem had at last been renewed was, in Haig's estimation, "the most important development in the world today."<sup>30</sup>

This tendency to interpret the world in terms of American interests and experiences could also be seen in the metaphors with which Western journalists celebrated noncommunist Southeast Asia. In an article headlined "How We Lost the War But Won Asia," for example, T.D. Allman argued that Japan's "economic miracle," by "migrating toward Asia's Sunbelt," had fulfilled "a kind of economic domino theory... in reverse."<sup>31</sup>

In a piece in the *Far Eastern Economic Review* entitled "Dawn Breaks over the Sunbelt States," Philip Bowring went even further. He split the world vertically in half at the Bay of Bengal and the Mississippi River. The Pacific hemisphere west of the Mississippi he labeled sunny, optimistic, and prospering, in contrast to its dark, pessimistic, and languishing Atlantic counterpart. This dichotomy was "more relevant" than the juxtaposition of North and South (which took seriously a mere pipe dream about a New International Economic Order) or of East and West (which presumably failed to realize that nationalism had made ideology obsolete).<sup>32</sup>

What really mattered to Bowring was the "unstoppable momentum" of the four dragons, and ASEAN's success ("which should continue")—compared to the bleak prospects of South Asia (where, except in Sri Lanka, living standards had "barely improved") or of West Asia and the Middle East (economically the world's "most depressing region"), let alone of Africa ("the nadir of human achievement in almost all fields other than fertility").

Enough. Pacific optimism exists. It is time to evaluate it.

#### **From History to Psychohistory— Optimism as Compensation**

Some predictions were too rosy. In mid-1979, a Singaporean journalist was so impressed with the South Koreans' record of achievement that

he expected them to succeed in reducing their inflation for that year to about 9 percent.<sup>33</sup> In fact, consumer prices rose by 18.3 percent in 1979, and accelerated to 34.6 percent in 1980.<sup>34</sup> In 1980 South Korea's GNP, adjusted for inflation, actually shrank by 5.7 percent.<sup>35</sup>

Other projections were not optimistic enough. For example, while admitting that "Indonesia might do a lot better than we have assumed," Herman Kahn pegged that country's future rate of economic growth too low.<sup>36</sup>

It is tempting to establish a net balance between such over- and underestimations. But statistical hindsight is cheap, and Pacific optimism deserves more than nit-picking. Similarly, the hyperbolic quotations cited above are straw men not worth bothering to knock down. The metaphors of Pacific optimism may seem contrived and its geography simplistic, even bizarre, but the attitude itself is not irrational.

Pacific optimists do not shut their eyes to reality in order to preserve in their minds a false image of the world. The economies of Japan and the Eight have, in fact, expanded rapidly at a time when most other world regions have stagnated or contracted. China has been attracted to capitalism, or at least to market socialism, and to the anti-Soviet West. Admittedly, even in noncommunist Southeast Asia, widespread poverty and repression persist, and have sometimes been exacerbated, as in East Timor under Indonesian occupation. But compared to communist Indochina's record of warfare, imprisonment, impoverishment, and exodus, the more or less capitalist nations of ASEAN have, indeed, enjoyed relative prosperity and peace.

To say that Pacific optimism has some basis in reality is not, however, to give it a haven beyond criticism. The new attitude bears critical examination precisely because it may be justified.

What is remarkable is not that a sense of satisfaction about Pacific developments should exist, but that it should become so well established in so short a time with so little discussion of its origins and implications. In the early 1980s, people in

government, business, academe, and the media could still be unself-consciously sanguine about the Pacific basin, to the point of tracing around its circumference an entire "Pacific community" of more or less procapitalist economies and anti-communist polities running counterclockwise from the U.S. and Canada, around and down through Japan and the Eight to Australia and New Zealand, up through Chile and Mexico, and back again to California.<sup>37</sup>

Unfortunately, the need for analysis is more obvious than how it should be done.

In one sense, Pacific optimism is a cultural artifact, approachable through America's historical experience. In this context, one could ask to what extent Pacific optimism is an attitude through which Americans have reassured themselves, assuaging the "loss" of South Vietnam by stressing the success of Japan and the Eight.<sup>38</sup>

George Bernard Shaw once said of H.G. Wells that he was the sort of man who could project his ego and call it the future. Is the U.S. that sort of country? Have capitalist successes and socialist failures along the Pacific rim been noticed mainly because they validate the American way of life? Does Pacific optimism ultimately boil down to national character, to Allman's aphorism that "Americans love to span oceans, almost as much as they like to forget"?<sup>39</sup>

One could also explore the notion that by "regaining" China, Americans were able to offset the "loss" of South Vietnam. Could this help to explain why there has been so little recrimination in the U.S. over the latter "dispossession," compared to the witch hunt that got under way after the "loss" of China 25 years earlier?

The fact of international peace in Asia—communist fratricide excepted—may also have helped Americans to bury the recent past. In contrast, after Mao Zhedong won China's civil war, the U.S. found itself pitted against the new People's Republic on the battlefields of Korea. Also, the sheer size of China compared to South Vietnam should have made Chiang Kai-shek's defeat more memorable than

Nguyen Van Thieu's, enhancing the compensatory value of Washington's rapprochement with Beijing.

The resumption of America's historical romance with China, while facilitating the growth of Pacific optimism, may also have helped to give the new upbeat view an economic focus. Partisans of Taiwan who, like Senator Jesse Helms,<sup>40</sup> denounced the American Demetrius for taking a new wife could not reverse the island's political de-recognition. But they could and did spread glad tidings of Taiwan's economic achievements. One might speculate that Taiwan's good economic press in the United States helped to alleviate American anxiety over having politically "abandoned" a loyal ally.<sup>41</sup>

This line of reasoning, unfortunately, veers off into psychohistory. The Pacific becomes a giant Rorschach through which Americans project their values, rationalize defeat, and create self-confidence. Terms like "compensation" and "re-assurance" are problematic enough when applied to individuals. In the case of nations, personification is a fallacy, Demetrius only a metaphor. It may be intriguing to imagine the American sinner finding redemption in "economic miracles," but it is also a play on words.

Nor are sequence and causation the same thing: The loss of Saigon did not cause Americans to discover Singapore. Even if America's celebration of economic growth in Japan and the Eight somehow met a "need" for reassurance, there was a more historical and less vaguely functionalist connection between the Vietnam war and Pacific optimism: The sheer expense of Lyndon Johnson's effort to make war and a Great Society at the same time helped to drive the American economy into "stagflation" and recession, which in turn made the resilience of Pacific capitalism especially impressive. (Similarly, the oil shocks of the mid- and late 1970s proved the ability of Japan and the dragons, South Korea excepted, to grow under adverse conditions without significant inflation.)

To treat the new Pacific image as an aspect of American psychology and culture is also, potentially, to exaggerate its popularity and homogeneity. In the United States, in the

late 1970s and early '80s, to the extent that the public was not simply ignorant of the achievements of small, remote countries like Hong Kong and Singapore, these "new Japans" were likely to inspire resentment as well as admiration. Japan itself already did.<sup>42</sup> Optimism was no more than a roughly common denominator of the attitudes of 50,000 or so Americans—people with a serious professional interest in the Pacific area—in business, journalism, research, and government. Some optimists emphasized prosperity, others peace and stability. Some focused on one country, others on another.

The motivations of those who spoke of America renewing its self-respect after Vietnam also differed—as did the lessons to be drawn from the war. When President Carter announced that "we have regained our lost confidence,"<sup>43</sup> he meant that the U.S. had learned from its Indochina disaster not to descend to the enemy's level. Sadder but wiser, America had decided to respect human rights and seek détente—that is, to support Carter's policies. The post-Vietnam confidence of the Reagan administration would lead the country in a different direction. "We are confident again, our values are sound, and our institutions are worth *defending*," said Secretary Haig.<sup>44</sup>

#### Optimism in Other Countries— Notably Japan

The problem of diversity is compounded if Pacific optimism is approached, as ideally it should be, comparatively across cultures. For it is not a uniquely American attitude. In the 1970s, similarly upbeat impressions circulated around the Pacific rim, from Canada through Japan to Australia.

In Canada, Pacific optimism appears to have spread less rapidly than in the United States. This is probably because the Canadian economy looks south not west. No Pacific country conducts proportionately more of its trade with the U.S. or proportionally less with Japan—67 and 5 percent, respectively.<sup>45</sup> The Atlantic ties of Canada's French-speaking minority probably also pull against the idea that the country has a Pacific destiny.

Nevertheless, a 13-nation Pacific Rim Opportunities Conference was

held in Vancouver in 1980. To benefit the Canadian economy and offset its dependence on the U.S., argued a journalist in British Columbia, Ottawa should vigorously promote trade with, and investment in, the Pacific region—"the fastest-growing economic zone in the world."<sup>46</sup>

The booming Pacific rim has attracted the attention of Australians, too. Once a "lily white" outpost of empire, Australia is gradually being reconceived by its people and leaders as a nation with Asian ties. Roughly a fourth of Australia's trade is with Japan—a level exceeded by no other industrialized Pacific nation.<sup>47</sup> Japanese investors are especially attracted to the mineral resources of western Australia. Recognizing the importance of such relationships, perhaps unsure of the permanence of America's Pacific commitments, and certainly inspired by Japanese Prime Minister Ohira's visit to Canberra, the Australian government sponsored in 1980 an international conference on the idea of a Pacific community.<sup>48</sup>

Finally, there is Pacific felicity Japanese-style.

Japan's interest in the Pacific has roots that go back through World War II and the Greater East Asia Co-Prosperty Sphere. More recently, less malign notions of Pacific cooperation have prospered in Japan. It was a Japanese, writing in the mid-1960s, who launched the discussion of a possible "Pacific community."<sup>49</sup> By 1979, a blue-ribbon committee of Japanese scholars and officials formed to study the concept could scan the region and see "great potential" in countries that were "flush with vigor and dynamism."<sup>50</sup>

One of the more extravagant expressions of Pacific optimism belongs to a Japanese-American, Koji Taira. Writing in a Japanese magazine, he fantasized that by the end of the twenty-first century,

*the great-great-grandchildren of today's Americans may have become Asians and may be sitting happily on the other side [of the Pacific]. The Buddhist phrase, "going over to the other side," means going into Nirvana.... Thus, if it should come to pass that Asia will represent mankind in this*

*world's next hundred years, it might take us all to the other shore, away from the karma of endless cycles of rise and fall, life and death, joy and sorrow.*<sup>51</sup>

In Taira's glowing vision, "the karma of international interdependence" could, by Asianizing America, create a new, hybrid culture "more exciting than any civilization the world has ever seen."

As previously stressed, my point in citing such renditions of Pacific optimism is not to ridicule them. The twenty-first century may, in some sense, prove Taira right. And even if he is not, his speculation opens possibilities worth thinking about. Whether or not America is being Asianized, its immigrants have certainly become more Asian (and Latin American) and less European.<sup>52</sup>

No, what is noteworthy about Pacific optimism in Japan, as in the United States, is that it could have gone so far without triggering more efforts to criticize or explain it.

A few writers, of course, were skeptical. In Japan, one of these was Toru Yano, a Southeast Asianist at Kyoto University. Pacific cooperation, he complained, was being discussed in Tokyo with an "unbounded optimism" that had become naive; with such an excessive concentration on economics that the region's serious political problems had been ignored; and without an understanding of the combination of romanticism and realpolitik that had led Japan's elite to propose the concept in the first place.<sup>53</sup>

Each of Yano's criticisms of Pacific optimism in Japan could be addressed to its American version.

## NOTES

1. My account relies on Smith 1849 and Bunbury 1849. According to Plutarch (1920 ed.: 7, 47), Demetrius was an "amorous, bibulous, warlike, munificent, extravagant, and domineering" general who loved to build huge ships and engines of war.

2. No one, that is, except the Soviet bloc. "Arms and ammunition," the editor continued, "don't cost us a penny. Our Soviet friends supply all that" (Hoang Tung, interviewed by Jean-Pierre Gallois, cited by Thayer 1980: 167, 169).

Perhaps this was so in part because, for all their obvious differences, the two countries had one historical experience in common—military defeat.

That similarity makes it possible to speculate along parallel lines: If the fall of South Vietnam had something to do with the rise of Pacific optimism in America, could Japan's defeat in World War II and the collapse of its Co-prosperity Sphere have helped to set the stage for Tokyo's renewed interest in Pacific economic cooperation 20 years later? When Prime Minister Zenko Suzuki, on a tour of the ASEAN countries, predicted that Southeast Asia would become "a driving force of the global economy in the twenty-first century," and hoped that Japan would be "a reliable partner" in that process,<sup>54</sup> was he expiating guilt for previous imperialism, vicariously rebuilding his nation's self-esteem after defeat, rationalizing the Japanese model, or just being nice to his hosts?

If the scale of Japan's defeat and recovery are taken into account, Tokyo begins to look even more Demetrian than Washington. The dangers of psychohistorical explanation have been noted, however, and they are compounded when the subject is a foreign culture.

**A Final Worry—The Downside Risk**  
Pacific optimism is probably cyclical. Whatever caused the attitude to arise, it may soon level off, or even decline. Since the mid-nineteenth century, when Admiral Perry "opened" Japan, Americans have alternately romanticized Pacific cultures and been repelled by them. If the United States continues to be outperformed by Japan, the dragons, and ASEAN in ways that

appear to threaten American livelihoods, a sunny mood that is in any case limited mainly to elite circles could be eclipsed.

It is nice to know that the world economy allows for upward mobility—so long as newcomer nations do not threaten your own position at the top. It is nice to know that rags are being exchanged for riches—so long as you still have riches. But in the 1970s, Americans lost almost a fourth of their share in the world market, and saw their standard of living fall from first to fifth place among nations.<sup>55</sup>

The necessary underside of Pacific optimism is Atlantic pessimism—the fear that America and its old capitalist cronies in Europe may be on the wane, economically and politically. The more future events confirm that fear, the harder it will be for Americans to admire their competitors' success.

In 1960, Richard Nixon ran for president. Comedian Mort Sahl was asked to evaluate Nixon's chances. "His chances are fine," replied Sahl. "But what about ours?"

Shorn of its exaggerations, Pacific optimism is an opportunity to learn to adapt to a new global economy in ways that will benefit Americans and the rest of the world. But the opportunity will not last. If nothing is done, and present trends continue, more and more Americans will be asking, angrily, of Japan and the Eight, "Their chances are fine. But what about ours?"

And the scapegoating will begin.

(January 1982)

3. Newsom 1980: 7.

4. Vogel 1979; Ouchi 1981; Pascale and Athos 1981; Byron 1981.

5. Kraar 1981: 176.

6. See, for instance, McAbee 1979 and Stauffer et al. 1981.

7. Klein, ed. 1979; 1980; 1981.

8. Shimomura 1979; Minard 1978; From Rags to Riches 1979.

9. Rabushka 1979; 83, 85, also 97-100; cf. 1973: 69-75.

10. Friedman 1980: 33-34; Bauer 1981.

11. Kahn 1979: 332-333.

12. Johnson 1981: 15, 18.

13. China's Vice Premier Yu Ch'iu-li, for example, reportedly told his colleagues on the State Council that "while we were rapidly regressing, they [Taiwan] suddenly forged rapidly, even miraculously, ahead. With the one in high gear and the other moving backward, the gap continued widening until we were forced to pull our heads out of the sand and admit that we had lost in this blood-

less war of peaceful economic competition." He cited Taiwan's success in using high-level experts to foster growth, and advised the Council to follow suit by considering itself an "economic cabinet" (Yu 1979).

14. Chen 1979: 10.
15. Smith 1981: 70.
16. Moynihan 1978: 22.
17. Reed 1979; Hodgson 1981: 543.
18. Mondale 1978: 23.
19. Cf. Morrison 1981: 146.
20. Kamm 1981.
21. Claytor 1977: 708.
22. Allman 1980: 25.
23. Newsom 1978: 30.
24. Bush 1981: 30.
25. Armacost 1981: 29.
26. Long 1981: 40.
27. Reagan 1981: 658.
28. Armacost 1981: 29.
29. Long 1981: 40.
30. Haig 1981.
31. Allman 1980: 24, 26.
32. Bowring 1981: 103.
33. Tan 1979.

34. Indicators 1981.

35. Asia's Industrial Economies 1981.

36. Kahn 1970: 136.

37. The literature on the idea of a Pacific community is massive. A good place to begin is Crawford 1981, which includes a bibliography. Also useful are *Pacific Region* 1981, *Pacific Community* 1979, and the *Pacific Community Newsletter*. The *Newsletter* is published by a Pan-Pacific Community Association (1627 K St., Washington, D.C. 20006) set up in 1980 to serve a membership of interested U.S. educational and research institutions—some 40 in number by 1981.

38. If true, this is ironic. I remember State Department officials saying in the late 1970s that in the wake of America's withdrawal from Indochina, ASEAN needed reassuring by the U.S.—not the other way around.

39. Allman 1980: 27.

40. Helms 1981: 485.

41. And could one say in the same vein, that Taipei, its claim to rule China denied and its delegations expelled from major international organizations, compensated for political defeat by redoubling its efforts to win economic victories, thereby impressing itself and the world, Demetrius-style?

42. As evidence, one could cite poll

data, or contrasting vignettes such as these: On November 20, 1981, a man who had just won the New York state lottery told a reporter that the one thing he had always wanted but been unable to afford was a Sony Betamax. The day before, angered by Japanese competition with the U.S. auto industry, workers in Milwaukee shredded a Japanese flag and stuffed it into a sewer. Cf. America's Biggest 1981; Milwaukee Workers 1981.

43. Carter 1977: 775

44. Haig 1981; italics added.

45. Indicators 1981.

46. Hopkins 1980.

47. Indicators 1981.

48. Crawford 1981.

49. Kojima 1966.

50. Pacific Basin 1981: 19.

51. Taira 1981: 11, 13.

52. In 1920-1979, Asia contributed only 6.2 percent of all migrants to the U.S., while 73.8 percent came from Europe; in 1979, 39.7 percent arrived from Asia, only 13.9 percent from Europe (as reported in U.S. Immigration 1981).

53. Yano 1981.

54. Kirk 1981.

55. Cornish 1981: 10.

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