APRIL 21, 2005 ADLAI E. STEVENSON AUSTRIA CENTER FOR INTERNATIONAL AFFAIRS VIENNA

CHALLENGES TO AND CRISES IN DEMOCRATIC SYSTEMS

"DEMOCRACY" IN THE POPULAR VERNACULAR OF THE U.S. DEPICTS A SELF EVIDENT, SELF EXECUTING, MARKETABLE FORM OF GOVERNMENT WHICH ASSURES PEACE AND FREEDOM. DEMOCRACIES DO NOT MAKE WAR WITH ONE ANOTHER, THE MANTRA GOES. THE U.S. PROPAGATES DEMOCRACY IN THE WORLD BY FORCE WHEN NECESSARY, SELECTIVELY IN PRACTICE.

AS OUR SUBJECT IMPLIES, DEMOCRATIC SYSTEMS REQUIRE DIFFERENTIATION. THEY TAKE MANY FORMS. SOME IN "OLD" EUROPE BETTER EXEMPLIFY THE EMPIRICISM OF AN EARLIER AMERICAN DEMOCRATIC SYSTEM THAN THE VERSION WHICH SUPPORTS THIS AMERICAN MISSION IN THE WORLD. ALL FORMS ARE FRAGILE. DEMOCRACY'S HISTORY SINCE ITS BEGINNING IN ATHENS HAS TRAVELED THE ROAD TO AUTOCRACY AND CONFLICT. THE FIRST FRENCH REPUBLIC DISSOLVED INTO EMPIRE - AND WAR. NATIONAL SOCIALISM HAD ROOTS IN THE WEIMAR REPUBLIC. RELIGIOUS, ETHNIC AND NATIONALISTIC SENTIMENTS ARE EASILY AROUSED BY POLITICIANS SEEKING POWER WHICH, ONCE SECURED, IS EMPLOYED TO RETAIN IT. FORMER REPUBLICS OF THE SOVIET EMPIRE LIKE FORMER EUROPEAN COLONIES IN AFRICA ARE NOMINALLY DEMOCRATIC BUT AUTOCRATIC IN FACT.

THE SUSCEPTIBILITY OF DEMOCRATIC SYSTEMS TO WAR IS NOT A RECENT PHENOMENON. ALEXANDER HAMILTON OBSERVED THAT, "THE FIERY AND DESTRUCTIVE PASSIONS OF WAR REIGN IN THE HUMAN BREAST WITH MUCH MORE POWERFUL SWAY THAN THE MILD AND BENEFICENT SENTIMENTS OF PEACE." RARE IS THE CONGRESSMAN ABRAHAM LINCOLN WHO DEMANDS EVIDENCE OF THE CASUS BELLI. THE LATE GEORGE KENNAN ADDED THAT IN WAR A DEMOCRACY SUBORDINATES EVERYTHING TO THE BATTLE AND "SOON BECOMES THE VICTIM OF ITS OWN PROPAGANDA." EVEN IN THE "OLD" AMERICA IT TOOK LITTLE MORE THAN LINCOLN'S "SPOT OF BLOOD", AN EXPLOSION IN HAVANA HARBOR OR "ATTACK" IN THE GULF OF TONKIN TO EXCITE THE FEVERS. THE TWO WISE SENATORS WHO OPPOSED THE BAY OF TONKIN RESOLUTION AUTHORIZING WAR IN INDOCHINA WERE DEFEATED FOR RE ELECTION. BUT I SENSE THAT THE WILLINGNESS TO CONTRIVE SUCH EVENTS IS ENLARGED IN THE U.S. BY IDEOLOGY OF MESSIANIC AND, THEREFORE, UNCOMPROMISING PURPOSE. THE WAR IN IRAQ IS A CASE IN POINT. FICTITIOUS ATTACKS IN HAVANA HARBOR AND THE BAY TONKIN ARE FOLLOWED BY FICTITIOUS CLAIMS OF WEAPONS OF MASS DESTRUCTION IN IRAQ.

MARXIST GOVERNMENTS CHARACTERIZE THEMSELVES AS DEMOCRATIC - THEIR OSTENSIBLE PURPOSE TO ACHIEVE SOME KIND OF SOCIAL AND

ECONOMIC EQUALITY - A DEMOCRATIC OUTCOME. CHINA CHARACTERIZES ITS POLITICAL PROCESS AS DEMOCRATIC. ITS GOVERNMENT TRIES TO AMELIORATE POVERTY AND NARROW THE GAP BETWEEN RICH AND POOR. THE U.S. GOVERNMENT CONSCIOUSLY WIDENS THE GAP. ITS WAR AGAINST POVERTY WAS WAGED BY THE OLD EMPIRICAL AMERICAN DEMOCRACY. TAXES ARE CUT FOR THE WEALTHY, HEALTH AND CHILD CARE FOR THE POOR IN THE NEW. BY THIS TEST CHINA IS ARGUABLY MORE DEMOCRATIC THAN THE U.S.

THE PUREST FORM OF DEMOCRACY IS DIRECT. ITS FAMILIAR HISTORY FROM ATHENS TO THE FIRST FRENCH REPUBLIC TO MODERN CALIFORNIA INVITES CAUTION. AMERICA'S FOUNDERS WERE SENSIBLY WARY OF THE DISTEMPERS TO WHICH PEOPLES CAN BE EXCITED AND CONSCIOUS OF THE COMPLEXITIES OF GOVERNING. THEY LOCKED THE DOORS TO THEIR CONSTITUTIONAL CONVENTION, PLEDGED THE DELEGATES TO SECRECY AND ESTABLISHED A REPRESENTATIONAL OR INDIRECT, SECULAR DEMOCRACY WITH A RESTRICTED FRANCHISE OVER TIME MADE UNIVERSAL.

STARTING IN THE LATE 1960'S, PRESSURES FOR POLITICAL REFORM MOUNTED AS AN OUTGROWTH OF WARS IN INDOCHINA AND THE WATERGATE SCANDAL. THE AMERICAN DEMOCRACY WAS REPEATEDLY REFORMED IN THE NAME OF MORE DEMOCRACY. MEMBERS OF CONGRESS WHO RETREATED BEHIND CLOSED DOORS TO REPRESENT THE PUBLIC INTEREST WITH IMPUNITY WERE FORCED TO OPEN THE DOORS. ENTER THE LOBBYISTS - A GROWTH INDUSTRY TO THIS DAY. A TAX OR HIGHWAY BILL NOWADAYS DEMONSTRATES THAT NO SPECIAL INTEREST IS TOO SMALL TO LEAVE BEHIND. THE PRESIDENTIAL SELECTION PROCESS WAS DEMOCRATIZED TO SUCH AN EXTENT THE FITTEST HAVE DIFFICULTY SURVIVING AND, THEREFORE, RARELY ENTER THIS TWO YEAR PHYSICAL AND FINANCIAL ENDURANCE CONTEST. CANDIDATES COMPETE IN 50 STATES BY PANDERING TO LOCAL INTEREST GROUPS, RAISING MONEY AND STAGING MEDIA EVENTS. CRITICAL CHOICES ARE MADE BY ACTIVISTS IN CAUCUSES AND PRIMARY ELECTIONS IN A HANDFUL OF STATES LONG BEFORE THE PUBLIC AT LARGE - THE AMERICAN DEMOS - HAS FOCUSED ON ISSUES OR CANDIDATES. IT HAS BEEN DROPPING OUT. IT REMAINS SUSCEPTIBLE TO THE IMPRECATIONS OF DEMAGOGUES - AND THE MARKETING OF CANDIDATES IN A MONEY DRENCHED, ENDLESS MEDIA DRIVEN POLITICS OFF LIMITS TO THOSE OUALIFIED BY VIRTUE, WISDOM ACQUIRED FROM A LIFETIME ON THE GROUND IN THE WORLD - AND THE COURAGE TO BE RIGHT.

THE FEDERAL ELECTION YEAR CYCLE HAS BECOME A MULTIBILLION DOLLAR EXERCISE IN MONEY RAISING, POLLING AND MARKETING ON COMMERCIAL TELEVISION WHICH IS INCREASINGLY CONSOLIDATED, THE "NEWS" HOMOGENIZED, TRIVIALIZED AND TAILORED TO FIT AUDIENCE PREFERENCES. PENETRATING TELEVISION REPORTERS LOSE AUDIENCE AND RETIRE. PUBLIC BROADCASTING IS SUBJECTED TO POLITICAL PRESSURES, ITS FUNDING CUT. WE HAVE NO BBC.

PARTY LEADERS WITH SOME KNOWLEDGE OF ISSUES AND CANDIDATES ONCE ASSEMBLED IN NATIONAL NOMINATING CONVENTIONS TO DELIBERATE ISSUES AND SELECT THE PARTY'S CANDIDATES. THEY GAVE THE SYSTEM A REPRESENTATIONAL DIMENSION. BUT THE CONVENTIONS HAVE BECOME MEDIA EVENTS. THE FUNCTION OF PARTY ORGANIZATION IS TO RAISE MONEY FOR MARKETING.

THIS NEW, MORE DIRECT FORM OF AMERICAN DEMOCRACY IS UNINTERRUPTED BY ELECTION TO OFFICE. ONE CRITICAL FORMER CONFIDANTE OF PRESIDENT CLINTON ESTIMATES HE SPENT 1/3 OF HIS TIME WHILE IN THE U.S. RAISING POLITICAL FUNDS. HE WAS THE FIRST DEMOCRATIC PRESIDENT OF THIS CENTURY WITH NO VISION OR BODY OF IDEAS TO PARADE UNDER THE BANNER OF A NEW FREEDOM, A NEW DEAL, FAIR DEAL, GREAT SOCIETY, NEW FRONTIER, THE NEW AMERICA OF GOVERNOR STEVENSON - OR EVEN A NEW FOUNDATION OF PRESIDENT CARTER. POLITICS BECAME TACTICS. WHO WON WAS MORE IMPORTANT THAN WHAT WON.

WITH THE OSCE AS AN OBSERVER FOR THE 2000 U.S. PRESIDENTIAL ELECTION AND THE SUPREME COURT OF UKRAINE TO RESOLVE LEGAL AMBIGUITIES IN FAVOR OF DEMOCRACY, WHO WON WOULD PROBABLY HAVE BEEN SOMEONE ELSE. PRESIDENT BUSH WAS ELECTED BY A ONE VOTE PARTISAN MAJORITY OF THE U.S. SUPREME COURT AFTER HAVING BEEN REJECTED BY A 5,500,000 VOTE PLURALITY OF AMERICAN VOTERS WHO PREFERRED AL GORE OR RALPH NADER.

PARLIAMENTARY FORMS OF DEMOCRACY FOUND IN "OLD" EUROPE ARE MORE REPRESENTATIONAL AND MORE DEMOCRATIC IN EFFECT. THE INTELLECTUAL AND VERBAL GIVE AND TAKE OF A PARLIAMENTARY SYSTEM IS MORE DIFFICULT FOR THE UNFITTEST TO SURVIVE, THE MONETARY COSTS OF POLITICS LOWER AND LESS CORRUPTING. EUROPE'S REPRESENTATIONAL GOVERNMENTS ARE COMPARATIVELY RATIONAL AND SECULAR.

TO MANY AMERICANS EUROPE'S CONTINUING INTEGRATION, EXPANSION AND EXERCISE OF POLITICAL RESPONSIBILITY IN THE WORLD IS A REASSURING DEMONSTRATION OF DEMOCRACY'S POSSIBILITIES IN THE NEW ERA. THIS IS AN INDIRECT WAY OF SUGGESTING THAT EUROPE MUST TAKE UP THE SLACK TO SUPPORT THE INTERNATIONAL ORDER CREATED AFTER WORLD WAR II WITH U.S. LEADERSHIP AND ASSIST OTHER REGIONS DEVELOP INSTITUTIONAL ARRANGEMENTS FOR MANAGEMENT OF THE WORLD'S INSEPARABLE ECONOMICS AND POLITICS. IN CONSIDERING THE PROPOSED EUROPEAN CONSTITUTION, EUROPE'S LEGISLATURES AND VOTERS WOULD DO WELL TO CONSIDER THIS PROPOSITION.

ARNOLD TOYNBEE'S "STUDY OF HISTORY" ELABORATES HIS THEORY OF HOW EMPIRES AND CIVILIZATIONS RESPOND TO CHALLENGE OR FADE. EDWARD GIBBON IN "THE HISTORY OF THE DECLINE AND FALL OF THE ROMAN EMPIRE", DESCRIBES THE "IMMODERATE GREATNESS" WHICH LED TO ITS DOWN FALL.

THE CHALLENGE WAS FROM WITHIN. PAUL KENNEDY DESCRIBES HOW NATIONS SUCCUMB TO THE WEIGHT OF ARMAMENTS AND THEIR FOREIGN ENTANGLEMENTS, THEIR IMPERIAL OVERSTRETCH. NIALL FERGUSON IN HIS HISTORY OF THE BRITISH EMPIRE ATTRIBUTES ITS COLLAPSE TO ECONOMICS. THE "MAIN PROBLEM", HE SAID, WAS A GOVERNMENT OF DEMOCRATIC PRINCIPLES CONSEQUENTLY INCAPABLE OF TAKING THE UNPOPULAR FISCAL AND MONETARY MEASURES REQUIRED TO FINANCE WARS AND EMPIRE.

GREAT EMPIRES WERE CREDITORS AND PRODUCERS TO THE WORLD. THEY REAPED AND BESTOWED ECONOMIC BENEFITS IN THE FORM OF TRADE AND INVESTMENT. THE BRITISH EMPIRE'S COLONIES SUPPLIED TROOPS FOR ITS WARS. TODAY COLONIES ARE OF THE PAST. IN IRAQ THE COALITION OF THE UNWILLING IS UNRAVELING. THE U.S. HAS BECOME DEBTOR AND CONSUMER TO THE WORLD.

BY THE CRITERIA ELABORATED IN THESE WORKS AMERICA SHOWS SIGNS OF DECLINE. ONE SMALL PREEMPTIVE WAR AGAINST A CONSTRUCT OF ETHNICITIES, SECTS AND FOREIGN INTERESTS CARVED FROM THE CARCASS OF THE OTTOMAN EMPIRE HAS DEMORALIZED AND STRETCHED OUR NEW PROFESSIONAL MILITARY THIN. THE FEDERAL BUDGET HAS PLUNGED INTO DEFICIT AT THE FASTEST RATE IN HISTORY, TAKING WITH IT THE CURRENT ACCOUNT AND DOLLAR. IF THE MINIMAL U.S. SAVINGS RATE WAS TO BE INCREASED BY HIGHER INTEREST RATES, A U.S. ECONOMY BASED ON CONSUMPTION, DEBT AND A BUBBLE IN THE PROPERTY MARKET COULD SINK, TAKING THE WORLD'S DOWN WITH IT. WITH PRIVATE FOREIGN INVESTORS WARY, THE U.S. IS DEPENDENT ON FOREIGN CENTRAL BANKS LED BY THOSE OF JAPAN AND CHINA TO KEEP ITS ECONOMY AFLOAT. CENTRAL BANKS ARE INCREASINGLY WARY, TOO, AND DIVERSIFYING AND HEDGING THEIR FOREIGN EXCHANGE RESERVES. EUROPE OFFERS AN ALTERNATIVE RESERVE CURRENCY. THE IMBALANCES THE U.S. IMPOSES ON THE WORLD ARE NOT SUSTAINABLE. ITS WARS ARE BECOMING UNWINNABLE.

THE INEFFICIENCIES OF WAR MOUNT. FOR THE U.S. EACH WAR BECOMES MORE COSTLY THAN THE LAST AS THE MILITARY INDUSTRIAL COMPLEX DEVELOPS MORE EXPENSIVE TECHNOLOGICAL FIXES FOR THE FAILURES OF THE LAST WAR AND THE ANTI SEPTIC, BLOODLESS, POLITICALLY COST FREE REQUIREMENTS OF THE NEXT. THE ANNUAL COST OF THE MILITARY INTELLIGENCE COMPLEX ALREADY EXCEEDS HALF A TRILLION DOLLARS. RE ENLISTMENT BONUSES FOR NON COMMISSIONED OFFICERS RUN AS HIGH AS \$150,000. THE ARMY RAISES ITS ENLISTMENT BONUSES TO \$20,000, LOWERS ITS STANDARDS, OUTSOURCES MILITARY DUTIES AND WITH A GROWING ARMY OF RECRUITERS STILL CAN'T LURE THE YOUNG MEN AND WOMEN FROM THEIR SMALL TOWNS AND INNER CITIES TO MEET ITS QUOTAS.

FROM 1964 TO 1972 THE WAR IN VIETNAM COST \$111 BILLION. THE COST OF TWO YEARS OF WAR IN IRAQ AND AFGHANISTAN IS APPROACHING \$400 BILLION

WHICH, ADJUSTED FOR INFLATION, MEANS THIS WAR IS RUNNING NEARLY THREE TIMES THE COST OF VIETNAM, NOT COUNTING THE COSTS OF RECONSTRUCTION. IN TWO YEARS IT HAS COST AS MUCH AS WORLD WAR I COST THE U.S. AND IS APPROACHING KOREA. THE COSTS OF AN UNCONTROLLED MILITARY ARE OUT OF CONTROL. WE DON'T HAVE THE POLITICAL COMPETENCE TO PAY THE FINANCIAL COSTS EXCEPT BY INCURRING MORE DEBT WHICH IS INCREASED BY THE COSTS OF SERVICING IT AT HIGHER INTEREST RATES. STATE GOVERNMENTS MEANWHILE CUT SERVICES AND RESORT TO GAMBLING FOR REVENUES AS THEIR BUDGET DEFICITS MOUNT.

THE DIVERSION OF RESOURCES FROM THE HUMAN AND PHYSICAL INFRASTRUCTURES TO THE MILITARY INDUSTRIAL HOMELAND SECURITY COMPLEX UNDERMINES THE ECONOMY AND SOCIETY. FEDERAL FUNDING FOR RESEARCH AS A PERCENTAGE OF GDP HAS DECLINED BY HALF SINCE PRESIDENT REAGAN USHERED IN HIS SUPPLY SIDE VERSION OF NEO CLASSICAL ECONOMICS AND QUADRUPLED MILITARY SPENDING. RESEARCH, TECHNOLOGICAL INNOVATION AND PRODUCT DEVELOPMENT ARE OUTSOURCED TO FOREIGN COUNTRIES ALONG WITH MANUFACTURING, EVEN MEDICAL SERVICES. AMERICA'S SHARE OF MULTINATIONAL CORPORATIONS SLIDES. THE U.S. BEGINS TO RUN A TRADE DEFICIT IN HIGH TECHNOLOGY PRODUCTS - EVEN AGRICULTURAL PRODUCTS AS OTHER COUNTRIES, NOTABLY BRAZIL, BRING NEW LANDS AND INFRASTRUCTURE INTO PRODUCTION. AMERICA'S COMPARATIVE ADVANTAGES ARE DISAPPEARING.

THE STRUCTURAL COSTS OF MILITARISM ARE NOT CALCULATED IN NEO CLASSICAL ECONOMICS. THE HUMAN COSTS ARE NOT QUANTIFIED EITHER. THEY ARE EXPRESSED IN HIGH RATES OF CRIME AND INCARCERATION, COMPARATIVELY LOW LEVELS OF EDUCATIONAL ACHIEVEMENT AND MOTIVATION FOR THE NATIVE BORN, A WIDENING GAP BETWEEN THE HAVES AND HAVE NOTS, DECLINING REAL WAGES FOR WORKERS AND A DIVIDED PEOPLE.

EMPIRICAL, PROGRESSIVE KEYNESIAN ECONOMISTS OF THE OLD AMERICA ONCE TRIED TO MAKE THESE CALCULATIONS. THEY HAD LEARNED FROM EXPERIENCE IN THE REAL WORLD. SOME HAD SERVED IN THE U.S. STRATEGIC BOMBING SURVEY AFTER WORLD WAR II WHICH CONCLUDED THAT THE ECONOMIC COST OF BOMBING IN EUROPE WAS HIGHER FOR THE BOMBER THAN THE BOMBED. GERMANY'S WAR PRODUCTION WAS NOT DIMINISHED. WHAT ARE THE BENEFITS? ONE HAS TO GO BACK THROUGH ALL AMERICA'S WARS, STRIKES, INCURSIONS AND THE LIKE, 40 OR MORE BY SOME CALCULATIONS, TO WORLD WAR II, A WAR OF NATIONAL DEFENSE FOUGHT IN LARGE PART BY THE VANISHING CITIZEN SOLDIER, TO FIND A WAR WITH AN UNAMBIGUOUSLY SUCCESSFUL MILITARY AND POLITICAL OUTCOME UNLESS ONE COUNTS THE INVASIONS OF GRENADA AND PANAMA. PRESSURE FROM THE BLACK CAUCUS IN CONGRESS LED ONE ADMINISTRATION TO INVADE HAITI TO REINSTALL PRESIDENT ARISTIDE. ANOTHER ADMINISTRATION INVADED HAITI TO

UNINSTALL HIM. HAITI IS NOW A FAILED STATE. CLAUSEWITZ RECOGNIZED THAT: "SUBORDINATING THE POLITICAL POINT OF VIEW TO THE MILITARY WOULD BE ABSURD, FOR IT IS POLICY THAT CREATES WAR". THE ISSUE IS ONE OF POLICY. BUT FOR PEACE THERE IS LITTLE CONSTITUENCY. WHEN A MINIMAL APPLICATION OF MILITARY FORCE COULD HAVE SAVED TENS OF THOUSANDS OF INNOCENT LIVES IN RWANDA, THE CONSTITUENCY WAS LACKING.

MEANWHILE, THE EFFICIENCIES OF ASYMMETRICAL WARFARE INCREASE. ITS PRACTITIONERS LEARNED AT OMDURMAN AND FROM HO CHI MINH TO DISPERSE. THEY HAVE ACCESS TO MODERN WEAPONS AND TECHNOLOGY. THEY UTILIZE TELEVISION FOR PROPAGANDA, THE INTERNET FOR COMMAND AND CONTROL AND TO DISINFORM THEIR ENEMIES. IN VIENNA I AM REMINDED THAT THE AUSTRO HUNGARIAN EMPIRE'S REACTION TO AN ACT OF TERROR AT SARAJEVO TRIGGERED WORLD WAR I AND ITS DEMISE. POLITICAL TERRORISTS SEEK A REACTION. THE EMPIRE OBLIGED WITH ITS ULTIMATUM. 19 MEN ARMED WITH BOX CUTTERS COULD NOT BRING AMERICA DOWN. ONLY AMERICA CAN DO THAT.

OUR HOSTESS, HAS ASKED I COMMENT ON EAST ASIA - AND I OBEY HER ORDERS AS AN OLD POLITICIAN - ACCUSTOMED TO DISOBEYING THEM, BUT NOT FROM FRANCES MAUTNER-MARKHOF.

AS EMPIRES AND CIVILIZATIONS DECLINE, OTHERS RISE. I LIVED IN LONDON IN 1945 AND REMEMBER SOMETHING OF THE MEN WHO WERE EXCITEDLY REBUILDING EUROPE AND GIVING BIRTH TO A NEW WORLD ORDER. A FEW YEARS LATER I WAS A MARINE CORPS PLATOON COMMANDER IN KOREA WHERE THE OLD AMERICA WAS IMPLEMENTING THE CONTAINMENT POLICY WITH UN APPROVAL.

IN 1953, EAST ASIA COMMANDED ABOUT 5% OF GLOBAL GDP. JAPAN'S ECONOMY WAS IN RUINS. KOREA HAD NO ECONOMY TO SPEAK OF. IT WAS EXPORTING HUMAN HAIR. THE INSURGENCIES WERE UNDER WAY IN SOUTHEAST ASIA AND WOULD CONTINUE INTO THE 70'S. CHINA HAD BEEN SAVAGED BY WORLD WAR AND CIVIL WAR AND WAS SOON TO SUFFER THE SELF INFLICTED ATROCITIES OF THE GREAT LEAP FORWARD AND CULTURAL REVOLUTION.

THE U.S. COMMANDED ABOUT HALF THE WORLD'S GLOBAL OUTPUT AND SUPPLY OF GOLD.

TODAY EAST ASIA ALREADY COMMANDS ABOUT 30% OF A VASTLY EXPANDED GLOBAL GDP, ABOUT EQUAL THE U.S. SHARE, AND ABOUT 70% OF THE WORLD'S FOREIGN EXCHANGE RESERVES.

AND NOW CHINA IS ON THE MOVE. IT IS NOT EXACTLY DEMOCRATIC. CHINA PURSUES A WESTPHALIAN POLICY OF NON INTERFERENCE WHICH REFLECTS ITS

ANCIENT HISTORY. IT SUPPORTS THE OLD AMERICA'S POST WORLD WAR II INTERNATIONAL ORDER. MORE OFTEN THE VICTIM THAN THE VICTOR, CHINA SUPPORTS CO EXISTENCE, BUT IT WILL NOT HAVE ITS TERRITORY RIPPED OFF AGAIN. THE CHINESE ARE DISTRUSTFUL OF IDEOLOGY, RELIGIOSITY AND EMPIRE, HAVING SUFFERED ALL. THEY INVEST FOR THE LONG TERM, TRADE THE WORLD OVER AND OVER TIME BESTOW AND REAP THE BENEFITS OF EMPIRE. THEY SEND THEIR ENGINEERS AND DOCTORS TO AFRICA ALONG WITH THEIR CAPITAL.

THE CHINESE BUILD ON THE EAST ASIAN EXPERIENCE STEP BY STEP TO CREATE A SUSTAINABLE MODEL FOR DEVELOPMENT. THEY ARE PRAGMATIC, ACQUISITIVE FOR INFORMATION AND IDEAS. THE IDEOLOGUES ARE NO LONGER IN BEIJING - OR MOSCOW. THEY HAVE BEEN DETECTED IN WASHINGTON, TREADING THE FOOTSTEPS OF FAILED LENINISTS AND MAOISTS WHO, TOO, SOUGHT EMPIRE IN THE GUISE OF IDEOLOGY. LEADERS THE WORLD OVER ARE PAYING TRIBUTE TO THE MIDDLE KINGDOM - CHINA.

THE CHOPSTICK "ECONOMIES" OF EAST ASIA, THOSE MARKET "ECONOMIES" OF CHINESE ORIGIN OR DERIVATION, LED THE WAY, INCLUDING JAPAN. THEY HAD AUTOCRATIC GOVERNMENTS. JAPAN'S REBIRTH WAS LED BY GENERAL DOUGLAS D. MACARTHUR IN AN UNSPOKEN ALLIANCE WITH THE EMPEROR AND WAS CONTINUED BY TWENTY YEARS OF ONE PARTY OLIGARCHIC RULE. THESE GOVERNMENTS WERE PRAGMATIC. NOMINALLY DEMOCRATIC, THEY HAD THE POWER TO MAKE RATIONAL ECONOMIC DECISIONS WHICH ESSENTIALLY SACRIFICED CONSUMPTION TO PRODUCTION, THE HUMAN AND PHYSICAL INFRASTRUCTURES AND EXPORTS. THE ECONOMY WAS GRADUALLY LIBERALIZED - LATER THE POLITICS.

AS THE EAST ASIAN REGIONAL ECONOMY DEVELOPED, EACH PARTICIPANT ACQUIRED A STAKE IN THE WELFARE AND STABILITY OF THE OTHERS. REGIONALISM IS STABILIZING. THERE ARE FLASH POINTS IN THE TAIWAN STRAIT AND CHINA SEAS WHICH REQUIRE RESTRAINT AND TIME. A COMPREHENSIVE ASIAN APPROACH TO VERIFIABLE NUCLEAR DISARMAMENT IN NORTH KOREA, MUCH AS EUROPEANS PROPOSE IN IRAN, COULD RESOLVE THE NUCLEAR ISSUE IN THE PENINSULA. THE KOREANS COULD AVOID THE COSTS ASSOCIATED WITH GERMAN REUNIFICATION. THIS COULD BE A TIME TO SYNCRETIZE THE ECONOMIC AND POLITICAL DYNAMICS OF EAST ASIA, BUT THERE IS LITTLE REGIONAL PROCESS AND STRUCTURE. JAPAN AND CHINA WERE NOT BROUGHT TOGETHER AS WERE FRANCE AND GERMANY. THE U.S. IS NOT THE LEADER IT WAS AFTER WORLD WAR II.

EAST ASIANS LEARNED FROM THE1997 FINANCIAL CRISIS TO BE WARY OF WESTERN ORTHODOXY AND EXERNALITIES OVER WHICH THEY HAVE LITTLE CONTROL. THE U.S. BAILED OUT MEXICO, IGNORED THAILAND. IT MOVED IN WITH THE IMF TO IMPOSE CONDITIONALITIES THAT MIGHT HAVE BEEN APPROPRIATE FOR A LATIN AMERICAN DEBT CRISIS, BUT ASIANS WERE FACING

A CAPITAL CRISIS. MALAYSIA AND CHINA WHICH ABJURED THE RELIEF FARED BETTER THAN THOSE WHICH SUCCUMBED. EAST ASIANS HAVE ALSO BEEN INFLUENCED BY THE EUROPEAN EXPERIENCE. MOST SEEK TO DEVELOP REGIONAL ARRANGEMENTS FOR TRADE, FINANCE AND SECURITY. ASEAN AND CHINA ARE DEVELOPING A FREE TRADE ARRANGEMENT, ALSO ASEAN AND INDIA. ASEAN PLUS THREE IN THE CHIANG MAI INITIATIVE HAS TAKEN THE FIRST STEP TOWARD A REGIONAL FINANCIAL ARRANGEMENT, A MODEST SYSTEM OF BI LATERAL SWAP AGREEMENTS TO PROTECT CURRENCIES. THERE ARE OTHER SUB REGIONAL GROUPINGS, INCLUDING THE NEW SHANGHAI COOPERATION ORGANIZATION WHICH INCLUDES 4 CENTRAL ASIAN REPUBLICS ALONG WITH RUSSIA AND CHINA.

THESE GROUPINGS NOTWITHSTANDING, EAST ASIA LACKS STRUCTURE AND PROCESS TO ADVANCE REGIONALISM. APEC IS TOO HETEROGENEOUS TO BE RELEVANT. THE REGIONAL SECURITY FORUM INCLUDES THE U.S. AND IS ESSENTIALLY A TALK SHOP. ASEAN IS SUBREGIONAL. THE REGION HAS NO EUROPEAN COMMISSION - NO EUROPE. NO OSCE - NO CONSULTATIVE AND SINCRETIC PROCESS TO INTEGRATE THE STABILIZING ECONOMICS OF THE REGION WITH THE POLITICS.

IT HAS NO OLD AMERICA TO LIGHT THE WAY. SECRETARY OF STATE RICE ON HER RECENT VISIT TO THE REGION SAID THE U.S., NOT EUROPE, WAS THE DEFENDER OF THE PACIFIC. AT THE SAME TIME A POLL REPORTED 75% OF THAIS VIEWED CHINA AS "FRIENDLY", 9% VIEWED AMERICA AS FRIENDLY. DEFENDER AGAINST WHOM? LAST SEPTEMBER, I ATTENDED THE ANNUAL NATIONAL DAY CELEBRATION IN THE GREAT HALL OF THE PEOPLE IN BEIJING WITH 4,000 OTHERS, INCLUDING THE PRESIDENT, THE PREMIER, MINISTERS, GENERALS, GOVERNORS AND AMBASSADORS. THERE WAS NO SIGN OF SECURITY, NO METAL DETECTORS. FOUR MONTHS LATER MAN HOLE COVERS WERE WELDED SHUT ON PRESIDENT BUSH'S INAUGURAL PARADE ROUTE. WHO NEEDS DEFENDING? 57% OF AUSTRALIANS BELIEVE AMERICA'S FOREIGN POLICIES ARE AS DANGEROUS AS ISLAMIC FUNDAMENTALISM. AUSTRALIA IS AN "ALLY".

A CONSULTATIVE PROCESS FOR REGIONAL COOPERATION COULD INCLUDE TAIWAN AND HONG KONG ON THE SAME FORMULA USED BY APEC AND PECC. JAPAN AND CHINA MIGHT BE BROUGHT TOGETHER AS WERE FRANCE AND GERMANY. I LED VIETNAM'S ADMISSION TO PECC THE ROUTE TO APEC. VIETNAM'S ISOLATION WAS BROKEN DOWN. IT BECAME A FULL FLEDGED MEMBER OF THE REGION. THE DPRK COULD BE PART OF A NEW CONSULTATIVE PROCESS - BUT THERE IS LITTLE PROCESS AND DIRECTION.

THE OSCE HAS EXPERIENCE AND RESOURCES TO SUPPORT SUCH AN EFFORT. THE AUSTRIAN CENTER FOR INTERNATIONAL STUDIES MIGHT COLLABORATE WITH INSTITUTIONS IN EAST ASIA TO DETERMINE HOW THE OSCE EXPERIENCE COULD INFORM THE DEVELOPMENT OF EAST ASIAN REGIONALISM. ASEAN AND THE ASIAN DEVELOPMENT BANK SHOULD BE INVOLVED. THE PROCESS MIGHT LEAD TO AN OSCA. THE EAST ASIAN PHENOMENON MIGHT INFORM THE CONTINUED

DEVELOPMENT OF EUROPE, LEADING TO NEW SYNERGIES BETWEEN THE TWO REGIONS WITH RUSSIA A LINK TO BOTH.

A COOPERATIVE, CONSULTATIVE ARRANGEMENT IN EAST ASIA, COMBINING SECURITY, DEVELOPMENTAL AND HUMAN RIGHTS ISSUES, COULD REINFORCE SECURITY AND THE FRAGILE GLOBAL ECONOMY. TOGETHER THESE REGIONS COULD ENCOURAGE AN AMERICA DIMINISHED BY ITS "DEMOCRACY" TO ACT LIKE AMERICA AGAIN.