

# Myths about the Asia-Pacific Region's Economic Growth

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*Ever since Marco Polo returned home, telling of the marvels of the present Asia-Pacific region, people particularly in the West have historically spun myths and invalid stereotypes about Asia. But in recent years, the rising "Asia-Pacific Era" has become a household term. Social scientists and futurists wonder why the Asia-Pacific region can enjoy the unprecedented largest and fastest economic improvement the world has ever seen. They jump to a conclusion and proclaim that Asia's recipe for economic prosperity and its key to success lies in the Confucianism. This argument, however, deserves reinvestigation. In this essay, two selected myths about the Asia-Pacific region's economic prosperity in line with the Confucianism will be discussed and explored.*

## **Some Economic Aspects of the Asia-Pacific Region**

The Asia-Pacific region today has new significance. Its role is vitally important to the pursuit of a much more open global international economic system. For the United States, its trade with this region in 1993 totaled a little over \$370 billion and accounted for 2.8 million U.S. jobs.<sup>1</sup> Given Japan's economic and political weight, for example, it is a natural partner in America's effort to fashion a viable post-Cold War regional and a new global order. The Asia-Pacific region has during the last ten years produced other notable economic successes—Taiwan, Hong Kong, China, the Republic of

Korea, Singapore, Malaysia, Indonesia, and Thailand, and they will play a pivotal role in the global economy. As a region, Asia has leaped from 4 percent of world GNP in 1960 to a quarter in 1990, with a potential to grow to 30 percent by the 21st century. Why has the Asia-Pacific region enjoyed the biggest and fastest economic improvement the world ever seen?

### **A Myths Overlooking Cultural Diversity in the Asia-Pacific Region**

Ever since Marco Polo returned home, telling of the marvels of the Orient, people in the West have spun a myth of Asia. The Asia was (1) an inscrutable place of porcelain and politeness; and (2) every Asian was the same. Most people are not well informed about the fact that Marco Polo was illiterate, and the story of his journey to the Orient was not written by himself, but by a writer who was hired.<sup>2</sup>

International journalists like Karen Breslau and others once pointed out that even fast-growing the region, the heart of the Asia-Pacific region is a chimera politically, economically and moreover culturally despite its general image as a Confucian common market (This image in line with another myth will be discussed later).<sup>34</sup> For instance, they are not well aware of the fact that Japanese suits and Chinese wheeler-dealers are no less alien in style and approach than Americans and Japanese. In terms of linguistic diversity, it can be said that they are even so far apart that they bargain in English. They also overlook this fact-Thais are Buddhist, Malays are for the most part Muslim.<sup>5</sup>

### **Another Myth: Confucian Economic Zones**

By looking into common cultural features, many social scientists wonder why societies in the APEC, particularly, on the East Asia periphery-Japan, Taiwan, Hong Kong, and Singapore-have made the industrial breakthrough while others didn't. Here I would like to discuss their contentions and another selected myth which is perva-

sive among social scientists and futurists.

They maintain that one primary reason why these societies have completed their process of transformation into industrialized societies is that all of these countries on the East Asian periphery share a Confucian heritage. In my talks with Dr. Ezra E. Vogel of Harvard, Prof. Vogel mentioned that intellectuals who admire the East Asian tradition tend to hold this view.<sup>6</sup> His statement struck me very much, and I was in agreement with him.

They tend to proclaim that the key to success lies in the Confucianism. This view is strongly held by many Western scholars. Those especially influenced by Max Weber are captivated by the interesting parallel between a Protestant ethic that helped spawn Western Capitalism and a Confucian ethic that helped breed East Asian industrialization. But this argument deserves reexamination. Because we should not forget that there are other Asian countries that have achieved industrial transformations without Confucianism, and societies such as Malaysia, Thailand, Turkey, Brazil, Chile, and Mexico succeeded without a Confucian heritage. Even the heartland of Confucianism has not yet made industrial strides and transformations, and still lags behind. Therefore, Confucianism alone doesn't explain the chief reason why countries modernize and prosper economically.

In Europe during Max Weber's period, industrialization occurred in areas located far from Catholic orthodoxy. In East Asia, we can find a point of similarity. Industrialization came to the fore in areas far from the center of traditional Confucian orthodoxy, where trade was developed along coastal areas and the concept of "mercantilism" was shared by its people.

It also should be added that trade and investment flows within East Asia are surging, but intra-Asian trade still constitutes a minority of most of its countries' total exports. And this type of trade often occurs in subzones of the APEC independently or other industrialized groupings. These are primarily, if not exclusively, based on the interpersonal business ties crossing one's cultural boundaries.<sup>7</sup> Prof. Vogel states that success does not take place under govern-

ments of the old-Confucian style, but in industrialized societies that had cast it aside for new governments with very different political systems. In my view, however, success also occurred under societies that have developed unique interpersonal business communication styles across cultural boundaries.

What futurists must seek to achieve can be summarized by the quotation by historians-J. Fairbank, E. O. Reischauer and A. M. Craig:<sup>8</sup>

Mutual understanding between Westerners and the peoples of East Asia is needed to form a basis for harmonious relations. But understanding must be based on a knowledge and appreciation of the other peoples' different customs, attitudes, ideals, and forms of self-expression. These are not easy to grasp from a distance. The cultural gap is enormous. Rapidly growing contacts during the past century have tended to lessen the cultural gap, but other factors (such as myths and stereotypes, sic) have widened the gulf.

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  3. Newsweek (Nov. 20, 1995, Pp.26-31).
  4. Pollack, J. D. (1993). *Designing a New American Security Strategy for Asia* (Rand Corporation: Council on Foreign Relations Asia Project Working Paper March '95).
  5. Mitarai, Shoji (1996). *Transcultural Mediators* (Tokyo: Sogo Horei) & *International Negotiations & Mediation in "Language & Culture"* (Sapporo Univ. Vol. 28, No. 1, 1995, Pp.1-20).
  6. Vogel, Ezra F. An Interview with Dr. Ezra Vogel (Henry Ford Professor at Harvard in July 29, 1989 in Sapporo, Japan & "Dr. Vogel, the Author of" Japan as No.1, "Visits for a Talk in" GLOBAL SAPPORO (Autumn Issue, 1989, Pp.11-13).
  7. Ibid.
  8. Fairbank, Reischauer & Craig (1987). *East Asia* (Harvard Univ.

Pr., p.viii).

