May 31, 2006

The Idea of New International Order China Is Seeking and An East Asia Community (1)

By AMAKO Satoshi

1. Issues

A spirited debate is underway in the Asian region over the institutionalization of mechanisms for regional cooperation and integration. Needless to say, specific efforts are also being vigorously pursued in relation to this debate, with a particular focus on the economic realm. This situation can surely be viewed as part of the global trend toward the parallel evolution of globalism and regionalism. In simple terms, the Asian region in modern times had always been compelled to respond passively to impacts from the West or to developments in international politics brought about by Western impacts. It can be argued that economic cooperation in East Asia today has also made headway, under the encouragement of economic globalization as well as moves toward regional integration in Europe (the European Union, or EU) and the North American free trade area (the North American Free Trade Agreement, or NAFTA).

However, present developments also have aspects that are clearly different from the situation prior to the 1970s. The prominent difference is Asia's own initiatives to build mechanisms for regional cooperation, on the basis of accomplishments by the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC) forum. The former was instrumental in having Southeast Asian nations themselves build original frameworks and procedures, later to be called the "ASEAN WAY." The latter came into being arguably at the initiative of Japan, a "border state," and Australia's "identity crisis," but the "ASEAN WAY" proved to be the major modus operandi for APEC as well. In the 1990s, ASEAN took in Vietnam, Laos, Cambodia and Myanmar to become literally the association of the nations in Southeast Asia, and also established the ASEAN Regional Forum (ARF) as a structure for security dialogue, incorporating 20-odd countries. Further, in the latter half of the 1990s, the framework of "ASEAN+3" (ASEAN plus Japan, China and South Korea) began to function, and amid these developments, ASEAN and China, and ASEAN and Japan agreed to conclude free trade agreements (FTAs) in the future, accelerating moves toward the institutionalization of mechanisms for regional cooperation.

However, moves toward regional integration in Asia are clearly different from those in Europe, in the following ways. First, Asia is still at a fairly low stage of development in terms of the

institutionalization of regional cooperation. Second, it has clear diversity in terms of the size of states, stages of economic development, political systems, social and cultural levels of life, values, ethnicity and religion. Third, the mechanisms for regional cooperation developed so far are heavily skewed to the economic realm. Fourth, at least at the present stage, regional integration in Asia, even at the conceptual level, presupposes a framework of national sovereignty or nation states, and no ideas have yet been floated in the direction of lowering or even destroying these national barriers (although it is also true that there are some developments that in practice transcend national borders). Fifth, the overall framework and the way toward regional integration still remain foggy and uncertain. In that sense, regional integration in Asia is still nothing more than just an idea or an issue for debate. At the same time, however, given a variety of actually functioning and increasing mechanisms for regional cooperation, regional integration in Asia is not just an impractical theory but rather an idea of practical significance.

Amid these developments, with what characteristics can the recent moves toward regional integration in Asia be described? Before going further into this discussion, it may be necessary to note beforehand that in ASEAN Malaysian Prime Minister Mahathir Mohamad advocated the idea of an East Asia Economic Group (EAEG) in 1991. Also, since 1997, specific moves have emerged toward building a mechanism of regional cooperation in East Asia. After the International Monetary Fund (IMF) or APEC by and large failed to respond effectively to the Asian monetary crisis, understanding emerged for the need for Asian countries to enhance their problem-solving capacities independently, rather than being led by the United States. Specific ideas in this direction include the "Asian Monetary Fund (AMF)" advanced by Japan, and the formation of the "ASEAN+3 (Japan, China and South Korea)" framework. The ASEAN+3 Summit, held in Manila in 1999, issued the "Joint Statement on East Asian Cooperation," with then Philippine President Joseph Estrada already talking about the idea of an "East Asian Community." South Korea was quite positive toward these ideas about regional organization, and South Korean President Kim Dae Jung, at the ASEAN+3 Summit meeting in December 1998, proposed the establishment of an "East Asian Vision Group (EAVG)." Then, at the ASEAN+3 Summit meeting in November 2000, he called for the establishment of the "East Asia Study Group (EASG)."

As seen above, it is important to note that the ASEAN nations, along with Japan and South Korea, have basically been making forthcoming and positive efforts toward building an EAC. At the same time, however, the biggest feature of this period was that China, with the backing of sustained economic growth and expanding overall national strength, launched active efforts to build a mechanism for regional cooperation in Asia. In addition to the experience of the "Asian monetary crisis," it had become increasingly aware of the direct threat from the United States with the bombing of the Chinese embassy in Yugoslavia and other incidents, and became actively engaged in efforts to build a regional sphere in Asia over which it could wield influence. Thus, the biggest point in this regard is how to interpret China's strategic ideas about Asian regional cooperation. This issue will be discussed in detail later.

China has been particularly active in this area in recent years. For example, it forged a strategic partnership with ASEAN in 2001 and began to move toward FTAs, and in 2003 joined the Treaty of Amity and Cooperation in Southeast Asia (TAC). China has also taken a positive stance toward making the ASEAN+3 Summit into regular annual meetings. In other areas, it has taken the initiative in institutionalizing such meetings as the Shanghai Cooperation Organization (SCO), which includes Central Asian countries as well as Russia, and the six-party consultations on the North Korean nuclear issue. It is also actively involved in the Greater Mekong Subregion development and economic cooperation plans. What lies ahead of all these initiatives and developments is the "East Asia Community (EAC)." Thus, while the EAC surely is intimately tied to ASEAN and APEC, the idea is not a simple extension of these regional groupings. In light of this, two issues will be discussed below: the first is China's strategy for an East Asian order, and the second is, given China's strategy, how to understand the idea of the East Asia Community.

(This is the text of an article by Prof. AMAKO Satoshi, Professor of Waseda University and Member of the Council on East Asian Community, which was originally posted on the website of "Amako Ajia-ron" (http://eac.cocolog-nifty.com/amako/).)