Regional Integration in Asia

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WHY ASIAN REGIONALISM MATTERS

BY AMITAV ACHARYA

In an article published in the Winter 1993-94 issue of International Security, Aaron Friedberg, a professor at Princeton University, contrasted Europe’s “thick alphabet soup” of institutions with Asia’s “thin gruel.” Some two decades later, no one would now describe Asia’s institutional landscape as a thin gruel. It, too, is an alphabet soup of sorts, with names like ASEAN (Association of Southeast Asian Nations), APEC (Asia Pacific Economic Cooperation), APT (ASEAN Plus Three), EAS (East Asian Summit), APc (Asia Pacific community, with a small “c”) and EAC (East Asian Community) all crowding conversations about Asia’s present and future regional architecture. But are these institutions mere talk-shops, or are they genuine forces for stability and security?

To begin, it might help to quickly summarize some of the most familiar criticisms of Asian regional institutions (while noting that I find some to be more accurate than others). The first is that they have not played a role in the major and long-standing regional conflicts, especially those that are holdovers from the Cold War period, such as the PRC-Taiwan conflict, or those between North and South Korea, and India and Pakistan. Neither have they mattered in the management of maritime territorial disputes, such as the Spratly Islands dispute involving China, Taiwan, Vietnam, Malaysia, Philippines, and Brunei. Similarly, territorial disputes between China and Japan over the Senkaku/Daoyutai islands, or between Korea and Japan over Takeshima/Tokdo islands, have not been addressed by any of the regional groupings.

A second criticism relates to their failure to make use of available instruments of conflict-prevention and resolution. For example, the ASEAN Regional Forum has not moved beyond its confidence-building mode to a preventive diplomacy mode, as was clearly envisaged when it was set up in 1994. ASEAN itself has yet to use its dispute-settlement mechanism to resolve bilateral territorial disputes, such as that between Cambodia and Thailand over the Preah Vihear temple, or the Singapore-Malaysia dispute over Pedra Branca/Palau Batuah Putih in the South China Sea. In the last two cases, the parties have relied instead on the International Court of Justice.

Third, the failure of regional trust-building, which is supposed to have been brought about by regional groups like the ASEAN or ARF, is reflected in the emergence of what seems to be a significant arms race across the region. China is investing massively in its military, increasing its defense budget by double-digit percentages year after year, while also building a blue-water navy. Japan has effectively crossed the 1,000-nautical-mile limit for its naval operational radius. A naval competition for dominance in the Indian Ocean may be emerging between India and China. In Southeast Asia, countries like Singapore and Malaysia are engaged in competitive arms acquisitions.

Fourth, on the economic front, there has been no regional free-trade area under the auspices of APEC, which was created partly with that objective in mind. Instead, bilateral trade arrangements have flourished, thereby undercutting the rationale for wider regional arrangements. Regional financial cooperation has emerged, but the multilateral currency reserve that is intended to deter and fight currency speculation is limited, especially compared to the nearly €1 trillion reserve put up by the EU in response to the Greek crisis.

Fifth, while the region is regularly visited by natural calamities, there is no standing regional humanitarian and disaster assistance mechanism in place, despite periodic attempts to create one. Transnational threats such as illegal migration, terrorism, and pandemics continue to be dealt with on an ad hoc or bilateral basis, without significant multilateral action. While there have been statements and declarations addressing such challenges -- such as the ASEAN Counterterrorism Convention, the East Asian disease surveillance framework and a tsunami early warning system -- joint action is neither automatic nor assured. There is also no regional peacekeeping force or even a more-limited stand-by arrangement.

Finally, on human rights and social issues, Asia continues to lag behind other regions, including Africa and Latin America, to mention Europe, in developing regional human rights promotion and protection mechanisms. The recently created ASEAN Inter-Governmental Commission of Human Rights is merely a body for the “promotion” rather than “protection” of human rights, lacking any enforcement authority. Asian regional institutions have not undertaken any significant social agenda, like the development of social safety nets to protect people impoverished by economic downturns. Neither have they
addressed the vital issues of environmental degradation, climate change and energy security. Multilateral agreements and action have also not succeeded in preventing forest fires in Indonesia, or competition for energy resources between India and China. Climate change efforts, limited at best at any level, are pursued mainly at the global, rather than regional level.

Yet, skepticism about Asian’s fledgling regionalism should not obscure its contributions to regional order. One major contribution has been the socialization of China. In the early 1990s, China was wary of regional multilateral cooperation. It viewed regional institutions like ARF or ASEAN as ways for the region’s weaker states to “gang up” against Chinese interests and territorial rights. Yet, China significantly revised its view of Asian regionalism and has now become a key player driving it.

Without engagement in this nascent regionalism, China would have had little option but to deal with its neighbors on a strictly bilateral basis, which would have given it far more leverage and coercive ability over its individual neighbors at a time of rapidly expanding national wealth and power. In that event, China’s re-emergence as a great power might have been much rougher and more contentious. Many Chinese analysts agree that involvement in Asian regional institutions was a major learning experience for China with regards to wider international cooperation. Moreover, Chinese participation in multilateralism encouraged at least some of its Southeast Asian neighbors to argue against a policy of containment, as initially envisaged by the U.S. after the end of the Cold War. Such an American policy, had it been undertaken as an alternative to either “engagement” or “hedging,” would have stoked Chinese nationalism and evoked a more hard-line stance toward its neighbors. Chinese cooperation on a host of transnational issues facing the region -- such as the 1997 Asian financial crisis, the 2003 SARS pandemic, and its approach to the South China Sea territorial dispute -- might have been more uncertain and less cooperative.

Skeptics may argue that the Chinese “charm offensive” that flowed in conjunction with its participation in regional multilateral institutions is little more than a “time-buying” tactic, until such time as China has built up its economic and military muscle to show its true aggressive colors. They might also argue that China has not stopped dealing with its neighbors on a bilateral basis, and that instead of acting as a follower to ASEAN’s leadership in regionalism, China now plays the lead role, or may soon want, to lead and mould such regionalism to its own advantage. Chinese desire to develop an East Asian community to the exclusion of the U.S., India and Australia is said to be one clue to how such an approach might play out. There is thus but a thin line separating the Chinese charm offensive from a de facto Chinese sphere of influence.

But such skepticism can be challenged. Which country would totally eschew bilateralism in its foreign affairs? And which country, great power or not, would forsake aspirations to some sort of a leadership role in the international arena, at least over some key issue areas? And while China may have initially made some strategic calculations about its interest in regional participation, it is not immune to the logic of socialization and learning fostered through the habits of dialogue and continuous interaction. Chinese policymakers are aware of the costs of switching from a policy of engagement to a posture of confrontation, thereby violating the normative commitments that they have assumed by signing onto ASEAN’s Treaty of Amity and Cooperation, or the Declaration on a Code of Conduct in the South China Sea. To be sure, such instruments are not enforceable, but their violation would carry reputational and diplomatic costs that no major power, whether rising or sitting, can afford to ignore.

Asian regional groups are not problem-solving or law-enforcing mechanisms, but norm-making and socializing agents. In this respect, they do conform to the general model of international organizations, which generally lack coercive enforcement power, but act as instruments of socialization and legitimation.

Asian regionalism is often compared, mostly unfavorably, with the European variety. Yet, even the much-vaunted European Union is not without significant shortcomings. Compare, for example, the EU’s approach to Russia with Asia’s approach to China. Both China and Russia are large “problem” countries confronting a group of small or medium-sized countries in their neighborhood, all of whom are worried about their potential for regional dominance. But China was invited and integrated unconditionally as a full-fledged member of the Asian institutions, including as a full dialogue partner of ASEAN, and a full member of both the Asia Pacific Economic Community and the ASEAN Regional Forum. By contrast, Russia was denied membership to the EU and NATO, even when at its geopolitical weakest, and had to content itself with only a strategic partnership agreement. One consequence of this failure to co-opt Russia is that Europe is still faced with a potential Cold War-like divide, in sharp contrast to China’s dynamic and cooperative citizenship within Asia.

Of late, there has been a great deal of talk about the European Union assuming the role of a global normative power. Such a role would eschew the traditional geopolitical role of a great power concert and project such “European” values as rule of law, human rights and democracy, and good governance. Yet, the vast majority of EU members also happen to be members of NATO and vice versa. Hence the EU wants to have the best of both the worlds and play it both ways, dealing with soft security challenges through the EU’s normative means, while addressing hard security challenges through NATO. Such duality makes its aspirations to be a global normative power hardly credible.

European regional institutions -- especially the EU, with its success in eliminating the danger of inter-member conflict -- may be an inspiration for Asian institutions. But the EU is hardly the model that Asia, or any other part the world, can emulate. At the same time, regional institutions in Asia do not simply reflect the prevailing balance of power in the region. They also shape it. Institutions can provide avenues for socialization of new powers such as China and India. They moderate great-power competition, as was the case when multilateralism acted as a pressure point against any American temptation to contain China.

Another question that must be considered when judging the relevance of Asian regional bodies is whether the region would be better off without them. What is the alternative when it comes to building security and prosperity in Asia? Realist thinkers and policymakers frequently point to the need for a balance of power system in Asia, underpinned by U.S. military alliances. They argue that the U.S. military presence and its alliance network involving Japan, South Korea, Australia, Philippines, and Thailand, protected...
the region from a communist takeover during the Cold War, thereby allowing regional government to time and space to build up their economic resilience and political legitimacy. The U.S. presence also remains vital to the future security and prosperity of the region. Any precipitous U.S. withdrawal from the region, or even the significant weakening of its alliances, would trigger a regional arms race and embolden regional powers like China, Japan and India to fill the power vacuum.

But this line of argument suffers from two limitations. First, the future of U.S. alliances in the region cannot be taken for granted. The fortunes of these alliances are subject to domestic political developments in the allied nations such as Japan, South Korea and Philippines. Although they are unlikely to be dismantled, domestic political opinion against the kind of intrusion and dependence an alliance relationship entails creates uncertainties that could detract from their credibility. Moreover, China’s diplomacy and economic clout might undercut allied support for the use of these alliances by the U.S. against Chinese power, especially in the case of a confrontation limited to one component of the alliance network. For example, would Thailand—longtime ally of the U.S.—or Singapore and India, which have only recently developed strong military ties with Washington, allow U.S. forces to use their naval and air facilities in the event of a Sino-U.S. confrontation in the Taiwan Straits?

Second, the relationship between U.S. military presence and alliance structure in the region and the development of multilateral institutions in Asia is not a zero-sum situation. Indeed, in recent years, U.S. military assets in Asia and the Pacific have been increasingly used for addressing common regional challenges, such as natural disasters like the Indian Ocean Tsunami in 2004. U.S. military exercises, like Cobra Gold, have expanded beyond their original missions (in this case, of supporting Thailand) to include a range of other regional countries, serving as a platform for multilateral coordination. Multilateral cooperation featuring American forces and those of non-allied nations, such as Malaysia and Indonesia, has also been on the rise in efforts to ensure maritime security in vulnerable parts of Asia, such as the Straits of Malacca. The rationale for regional security institutions need not conflict with U.S. military alliances. Rather, the two can be mutually supportive.

One of the above assertions would imply that Asian regionalism is in no need of reform and change. To be more meaningful and relevant, Asian institutions need to address four challenges.

The first is the challenge to overcome the 19th-century mindset of sovereignty and non-intervention. Transnational issues facing the region today—such as pollution, terrorism, illegal migration and pandemics—defy national boundaries and must be dealt with by both the pooling of sovereignty and some principled departures from it.

Second, Asia needs to reconcile competing proposals for regional architecture that have cropped up since Prime Minister Yukio Hatoyama of Japan proposed his multilateralism, like a European Union in the Asia-Pacific economic cooperation, including in the development of Asia-Pacific economic cooperation, the failure to coordinate these new initiatives is confusing.

Despite recent clarifications about the Australian proposal—specifically, that it need not entail the creation of a brand new institution, but rather the rationalization and merger of existing ones—there is still no clear sense of what the region is being asked to support. The response from Southeast Asia to the Australian proposal has been mixed, but there is little hope that ASEAN would endorse it. In the meantime, the Hatoyama proposal remains mired in contradictions. It does not clarify whether the U.S. will be a part of the East Asian community it envisages, even as the U.S. clearly remains the cornerstone of Japan’s security posture. Given Hatoyama’s recent backdown on the Okinawa issue, there will be serious questions regarding his earlier assertion that an East Asian community might be the logical step to replace the “era of U.S.-led globalism,” and that Japan will look to East Asia rather than to the U.S. for developing its future security.

In the meantime, both Japan and Australia can and should be able to make the most of existing and overlapping—both in terms of membership and function—regional institutions by showing a greater commitment to them in terms of attention and resources. Non-ASEAN members have grown a little frustrated with ASEAN’s lack of resolve in shaping the direction of Asian multilateralism. But as in the past, what lies ahead for Asia is not a revolutionary change in Asian multilateralism. Rather, it is a gradual adaptation and modification of extant bodies based upon a reconciliation between the “new” and competing Japanese and Australian ideas.

Third, Asian institutions need to move beyond the ASEAN Way of informal, strictly consensus-driven cooperation, to adapt greater institutionalization and legalization. Asia’s institutions continue to be based on the ASEAN model, which espouses a strong attachment to sovereignty and non-interference and avoids formal and legalistic approaches to problem-solving. ASEAN has taken an important first step in this direction by adopting an ASEAN Charter, but it remains to be seen whether ASEAN members can and will take up the challenge of complying with the obligations of ASEAN’s numerous treaties and agreements. The ARF, APEC and ASEAN-Plus-Three, as well as the fledgling East Asian Summit, could also benefit from developing greater institutionalization and fostering a culture of compliance.

Finally, Asian regional institutions should widen their focus to embrace transnational issues, and move beyond being forums for consultations and
dialogue to become instruments for problem-solving. Without needing to go as far as NATO, the EU or the Organization for Security and Cooperation in Europe, they should nonetheless develop collective mechanisms for disaster management, peacekeeping, and protection of human rights and environment.

To sum up, criticisms of Asian regionalism and regional institutions are not without merit. Yet, they do not warrant the view that investing in Asian regionalism is a waste of resources and time, or that the Asian institutions have not made positive contributions to regional stability and prosperity. Much depends on what sort of yardstick we use to judge their performance. In general, the benefits of regionalism and continued institution-building far outweigh its costs, and the region would be a more dangerous and uncertain place without them.

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