# CHAPTER 4

# ASEAN and Major Powers in the New Emerging Regional Order

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## Introduction

Contemporary East Asia is a region characterised by contradictions. On the one hand, strategic developments in the region over the last decade have been conducive to regional peace and stability. The general situation in the region can be characterised as stable and dynamic, enabling regional states to focus its attention on either efforts to accelerate the process of economic recovery or efforts to sustain high economic growth. The first has been evident in the case of South Korea and member states of the Association of Southeast Asian Nations (ASEAN) after they were hit by the 1997 financial crisis, while the second is evident in the case of China and India. This region has also been the most dynamic region in terms of growing enthusiasm among regional states to participate in the process of regional community-building. This process of regional community-building is taking place both within Southeast Asia (through the commitment to transform ASEAN into an ASEAN Community) and in the wider East Asia region (through the process of East Asia community-building and the East Asia Summit).

On the other hand, however, it is difficult to escape the reality that East Asia remains a region plagued by the residual problems of Cold War, such as the problem of Korean Peninsula and Taiwan. In East Asia, the problem of history also continues to affect (hamper) inter-states relations in the region, such as between China and Japan, and Japan and South Korea. At the same time, there have been strategic realignments among major powers in the region, especially between the United States and Japan, the US and India, and between India and China. The strategic realignments among major powers have increasingly become an important feature of post-911 world. More importantly, East Asia is also witnessing a process of power shift that defines and shapes a new emerging regional order in the region. In the first decade of the 21st Century, it is becoming clear that the process of power shift in East Asia has been characterised by four main trends: the rise of China, the continued primacy of the US, the revitalisation of Japan's security role, and the arrival of India as a potential major actor. These trends

would bring about strategic implications for major powers relations in East Asia, especially for the patterns of balance of power among them. As these major powers exercise great influence in regional and global politics, the position and interests of other regional states – especially ASEAN countries and South Korea – will also be affected by the dynamics and trends in the regional relations among major powers.

Therefore, the role and position of ASEAN in the years to come can not be separated from the complexity of East Asian strategic environment. This paper examines the role and position of ASEAN in the context of the new emerging regional order in East Asia, with special reference to major power relations. It will discuss challenges and opportunities facing ASEAN in managing a regional order beneficial and acceptable to all regional states, including the major powers. The discussion is divided into three sections. The first section examines the characteristics and trends in major power relations in East Asia. The second section discusses both intra- and extra-mural challenges facing ASEAN within the emerging new regional order, and looks at recent developments in ASEAN's response to those challenges. The third section analyses the viability of East Asia community-building project as a mechanism to manage the new emerging regional order in the region.

## Regional Order and Major Power Relations in East Asia: Characteristics and Trends

There is no doubt that the September 11 terrorist attacks on the US have brought about profound ramifications for the political and strategic landscape of global politics. While the terrorist attacks clearly reveal the new threat of terrorism with a global reach, the US-led war on terror at global front "is a watershed that marks the end of the cold war and post-cold war eras."[1] Consequently, contemporary global and regional politics has been, and still is, shaped by the US response to counter the threat of terrorism at regional and global level. That response has been characterised by two significant elements. First, in ensuring its national security from terrorist threats, the US demands that states – especially in areas where the problem of terrorism is perceived to be acute – join the global war on terror. Second, the US has also demonstrated that it does not hesitates (1) to use military force against those harbouring terrorism (in the case of Afghanistan), (2) to put the pre-emptive strike doctrine into practice (in the case of Iraq), and (3) to act alone if necessary.[2]

As the war on terror has become the most important agenda in the US foreign and security policy, Washington's policy towards East Asia has also been shaped by its

[1] Chin Kin Wah, "Major-Power Relations in Post 9-11 Asia-Pacific," in Han Sung-jo, ed., *Coping With 9-11: Asian Persperpectives on Global and Regional Order* (Tokyo: JCIE, 2003), p. 6.
[2] See, *The National Security Strategy of the United States of America*, September 2002, p. 6

determination to meet and defeat the threat of terrorism in the region. Within this region, Southeast Asia has been dubbed as "the second front" in the US-led war on terror, and the region is now back on the radar screen of the US in a much more visible way. Indeed, within Southeast Asian region – especially in Indonesia, the Philippines and to a lesser degree Thailand – the problem of terrorism poses a formidable threat to national and regional security. Regional and national terrorist groups in these countries, especially the Jemaah Islamiyah (JI), have also threatened to attacks American interests and allies in the region. Due to the threat, the US has indeed incorporated Southeast Asia into its global counter-terrorism strategy and policy. In this context, the US has begun to strengthen and revitalise its relationship with regional states as part of its global strategy to deal with the threat of terrorism.

East Asia, however, is also a region with its own dynamics. In addition to the implications of US's global war on terror, there are two significant aspects that have characterised the new emerging regional order in East Asia. The first is the trend toward greater efforts to promote wider and deeper regional cooperation and integration, and the aspiration to forge a regional identity. Within Southeast Asian sub-region, the determination of ASEAN member states to create an ASEAN Community represents the most promising development towards greater regional integration. In the wider East Asia context, there is also the ASEAN Plus Three Process (APT) which brings together ASEAN countries and three Northeast Asian states, namely, China, Japan and South Korea. And, more recently, the idea and steps towards the creation of an East Asian community, which has officially begun with the First East Asia Summit (EAS) in December 2005, constitutes the most important development in this regard. Even though the process of regional community-building in East Asia remains problematic and will take a long time before it can materialise, it could help "guarantee peace, stability and progress for the East Asian region, and should be considered 'inevitable' for the longer term to the region."[3]

The second aspect of the new emerging regional order in East Asia, and perhaps the most important one, is the process of power shift among major powers. This process of power shift is characterised by four main trends, namely, the rise of China, the continued primacy of the US, the revitalisation of Japan's security role, and the arrival of India as a potential major player in the region.[4] Of the four trends, the rise of China constitutes the most important key driver in the process of power shift. As argued by

[3] Jusuf Wanandi, "Engaging the United States in an Emerging East Asia Community," paper presented at Asia Pacific Agenda Project (APAP) Forum, Washington, D.C., 24-25 October 2005.

[4] In addition to these four trends, there are some other equally important trends in East Asia, such as the heightened economic competition and economic integration, and the persistence of non-traditional security problems, especially terrorism. However, this chapter only addresses the process of power shift due to the dynamics within major powers relations.

Shambaugh, "the structure of power and parameters of interactions that have characterized international relations in the Asian region over the last half century are being fundamentally affected by, among other factors, China's growing economic and military power, rising political influence, distinctive diplomatic voice, and increasing involvement in regional multilateral institutions."[5] Therefore, the characteristics and dynamics of major powers relations in East Asia in the years ahead will be affected by regional states' responses towards the rise of China.

The rising China phenomenon has been a direct result of modernization carried out by the Chinese leadership in the post-Mao Zedong era since 1979. Economically, China has become an impressive giant which, in a not too distant future, is expected to grow into the second largest economy after the US, surpassing Japan and Europe. The growth in economic power has made it possible for China to allocate its newly-acquired wealth to modernise and develop its military capability. At the same time, the growing importance of China as both economic and military power has also presented an opportunity for Beijing to consolidate its diplomatic and political influence in the region. These developments clearly have the potentials to bring about the most important regional power shift since the end of Second World War, with all possible implications – both positive and negative – for the region. Consequently, East Asian region is now confronted with a classic problem in international relations, namely, the challenge to respond and manage the rise of a new power.[6] And, as the only super power, the US is clearly more concerned about the impact of this classic problem on its influence in the region.

The US clearly has a reason to be concerned because its main strategic interests in East Asia – now and in the future – will continue to be on the preservation of its dominance and primacy in the region. In this regards, the rise of China constitutes the most significant strategic issue for the future of US unrivalled position in the region. The greatest strategic challenge facing the US in this regard is how to respond and accommodate the rise of China in a way that encourages China to become a responsible player and partner in ensuring regional stability, but at the same time will not challenge the US preeminence in the region. In this regards, it seems that the US itself is still in the process of searching for an adequate strategy and policy towards China. This process can be seen, among others, from the uncertainty and ambiguity in Washington's perceptions of the nature of China's rise and its implications for US long-term regional and global interests.

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[5] David Shambaugh, "The Rise of China and Asia's New Dynamics," in David Shambaugh, ed., *Power Shift: China and Asia's New Dynamics* (Berkeley: University of California Press, 2005), p. 1.
[6] Evan S. Medeiros, "Strategic Hedging and the Future of Asia-Pacific Stability," *Washington Quarterly*, Vol 29, No. 1 (Winter 2005-2006), p. 146.

Policy-makers and defence planners in Washington continue to debate the nature of China's rise, and there seems to be disagreements in determining whether the rise of China is a positive or negative phenomenon. It is also not easy for the US policy makers to ascertain whether China is an opportunity, a threat, or a challenge. In various policy pronouncements by American leaders, the strategic importance of China to the US remains ambiguous. For example, the depiction of China by US policy makers has changed from "a partner" to "a strategic competitor", and more recently, to a "responsible stakeholder." Moreover, some in the US even believe that China will in the future become an "enemy" to the US that needs to be contained.

This uncertainty has given rise to a strategy of strategic hedging in the US policy towards China. Through this strategy, the US aims at maintaining the opportunity to strengthen its beneficial economic relations with China while at the same time managing the uncertainties and anxieties in the security arena brought about by the rise of China as a potential superpower.[7] In other words, Washington has chosen to pursue both cooperative and competitive policies toward China, in which it continues to encourage China to abide by "the existing international system of norms, rules, and institutions and to shape its evolving interests and values through bilateral and multilateral engagement" on the one hand, and discourage it from challenging the current regional security order on the other.[8] The strengthening of US relations with its allies and friends in the region constitutes an important part of this hedging strategy.

The strategic hedging policy of the US is, among others, reflected in its policy towards Japan and India. With regard to Japan, the US has encouraged Tokyo to play a greater security role in the region. Both countries have also taken strategic steps to strengthen their alliance relationship. In the US view, India also occupies a strategic position that could help its hedging strategy towards China. Through the transformation in US-Japan relations, and the growing cooperation between the US and India, Washington expects to create a condition that would encourage China to abandon any intention to pursue a revisionist agenda aimed at revising and undermining the existing regional and global order. As stated by Secretary of States Condoleezza Rice, "it is our responsibility to try and push and prod and persuade China toward the more positive course… I really do believe that the U.S.-Japan relationship, the U.S.-South Korean relationship, the U.S.-Indian relationship, all are important in creating an environment in which China is more likely to play a positive role than a negative role."[9] In other words, Washington expects that its close relationships with Japan and India would, if necessary, serve as a counter-balance to the rise of China.

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[7] Ibid., p. 146.
[8] Ibid., p. 147.
[9] Speech by Secretary of State Condoleezza Rice at Sophia University, Tokyo, 19 March 2005, http://www.state.gov/secretary/rm/2005/43655.htm.

Indeed, the US position and hedging strategy seem to be supported by the revitalisation of Japanese security role on the one hand, and the arrival of India as a potential major power on the other. Japan has begun to reassess its position and security role within the new emerging strategic constellation in East Asia. With regard to China, Japan shares common view and concerns with the US. Recent changes in Japan's international policy and defence policy cannot be separated from Japan's anxiety over the rise of China. Japan has, in fact, identified China – together with North Korea – as areas of key concern.[10] Japan's response to its strategic challenges has also been a hedging strategy described as "a strategy to prevent the worst (*saiaku*) while trying to construct the best (*saizen*)."[11] This strategy has been reflected primarily in Japan's decision to strengthen its alliance with the US on the one hand, and its active role in the process of regional institution-building on the other. In doing so, Japan not only supports the US interests to preserve peace and stability in East Asia but also responds to international pressure that Japan play an active regional role as a "normal country."

India, once preoccupied with South Asian geo-politics, is now in the process of projecting its new image as a major power and international actor.[12] In this process of the quest for a new international status, India has also moved to embrace and integrate itself further into the East Asian region. New Delhi now sees this region as an important part for both its economic development and international position. For India, despite the decline of its perceptions about the China threat, the strategic interest to balance the rise of China continues to be an important element in India's strategy in the region. However, India also expects that China would acknowledge the new positive role of New Delhi in East Asia, and will not challenge the presence of India in Indian Ocean or Southeast Asia.[13] For that reason, India has also moved to improve its relations with Beijing while at the same time forging a strategic relationship with the US. Again, like the US and Japan, India too seems to have pursued a hedging strategy in anticipating strategic challenges that might result from the new emerging regional order in East Asia.

As the emerging regional order in East Asia is still evolving, it is still too early to come to the conclusion regarding the final form of the process. What is clear from the current trends and dynamics of major power relations is that the strategic transformation in East Asia is still fraught with uncertainties. Those uncertainties come primarily from

[10] See, "National Defense Program Guideline for FY 2005 and After" approved by the Security Council and the Cabinet on 10 December 2004, at http://www.jda.go.jp/e/index.htm

[11] Akihiko Tanaka's testimony before the House of Representative Budget Committee of the Japanese Diet, 23 February 2005, quoted in Richard J. Samuels, "Japan's Goldilocks Strategy," *The Washington Quarterly*, Autumn 2006, p. 121.

[12] For a discussion on India's new foreign policy, see, Raja Mohan, "India's New Foreign Policy Strategy," paper presented at a seminar in Beijing by China Reform Forum and the Carnagie Endowment for International Peace, Beijing, 26 May 2006.

[13] Walter Andersen's presentation at a seminar at USINDO, "Rising India: A Win-Win for All?", Washington DC, 21 February 2006.

the presence of both cooperative and competitive elements in major-power relations, which forces major powers to engage in a mutual hedging strategy among themselves. In that context, the future of major power relations in East Asia could evolve either into a more cooperative form of regional order or into a more competitive one.

## ASEAN and the Management of Regional Order: Challenges and Response

For ASEAN, the new emerging regional order in East Asia poses a number of critical questions. What are the challenges facing ASEAN in such an emerging strategic configuration and trends in major-power relations? What are the implications of the ongoing power shift in the region for ASEAN? What are challenges and problems that could result from that process of power shift? Are there opportunities resulting from the process that would strengthen ASEAN's position in the region? Can ASEAN continue to play a role as a "manager" of regional order capable of regulating major power relations through diplomatic and political means?

### *Challenges to ASEAN*

There are at least six challenges facing ASEAN within the new emerging regional order in East Asia. First, there is a challenge of managing the effects of major-power relations on regional relations. Competitive patterns of relationship among major powers would turn East Asian region in general and Southeast Asia in particular, as an area of competition for influence among them. Such scenario would certainly put ASEAN into a difficult position. Growing competition among the major powers would also pose a challenge to ASEAN in pursuing its role as a manager of regional order. It is likely that the competing powers would seek out supports from regional states as part of their mutual hedging strategy. It has been asserted, for example, that "it is already possible to see some inklings of the ways in which China is using its relationship with ASEAN to develop a counterweight to US power."[14] The US already characterised the Chinese diplomatic offensive in Southeast Asia, in the words of Assistant Secretary of State James Kelly, as "challenging the status quo aggressively."[15] In other words, ASEAN member states might have to contend with the emerging reality that the policies of major powers towards Southeast Asian countries would be the function of competitive relations among them.

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[14] Christopher R. Hughes, "Nationalism and Multilateralism in Chinese Foreign Policy: Implications for Southeast Asia," in Joseph Chinyong Liow and Ralf Emmers, eds., *Order and Security in Southeast Asia: Essays in Memory of Michael Leifer* (London: Routledge, 2006), p. 120.

[15] See, his testimony to the House Committee on International Relations, 2 June 2004, at http://wwwc.house.gov/international_relations/108/kel1060204.htm

Second, the uncertainties in China-Japan relations pose a delicate policy problem for ASEAN. If China and Japan are unable to resolve their problems, ASEAN states would be facing a tremendous challenge of positioning itself between the two powers. In this regards, if the competitive relations between China and Japan are to become heightened, ASEAN would face a strategic dilemma. On the one hand, at the moment Japan is still the most important partner for ASEAN states, especially in economic terms. On the other hand, the strategic importance of China has increasingly grown, and within the next 10-15 years, the Chinese influence would be felt in a much concrete way. In other words, ASEAN is faced with the dilemma of maintaining good and friendly relationship with an existing close friend (Japan) on the one hand, and maintaining the opportunity to develop good relationship with a possible close future friend (China), whose future relationship with Japan might continue to be competitive. As a consequence of China's rise and China's diplomatic offensive, ASEAN – and also its individual member state – finds itself in a delicate balancing act within Beijing and Tokyo. Finding the balance in managing this dilemma is not an easy task for ASEAN.

The third is the challenge of responding to the uncertainties in China-US relations. In principle, US strategic hedging policy against China would not pose a serious problem for ASEAN. However, if the competitive elements of strategic hedging become more dominant, then its implications for ASEAN would be serious. They were worried about the possible conflict between the two major powers in the region, and a possibility that Japan would also be drawn into it. One important issue in this regard in the US policy on Taiwan, and the possibility for the use of force by China to unify Taiwan. Indeed, if such scenario became a reality, ASEAN might be forced to take side. Meanwhile, ASEAN countries believe that good relations between the US and China are critical for the region's stability and prosperity. ASEAN might have to face a new delicate game of power politics if the US decides to pursue a containment policy against China. Judging from current US foreign policy behaviours, it is not surprising if the US would pursue a policy of putting pressures on regional states, especially in attaining its regional and global security interests. Here, ASEAN member states continue to differ with regard to the proper role of the US in the region.

Fourth, there is also the possibility of disunity within ASEAN. ASEAN itself is faced with the problem of the absence of common position and view on various issues discussed above. For example, Thailand, the Philippines, and Singapore often tend to be closer to the US. Meanwhile, Malaysia, Cambodia, Laos, and Myanmar would likely be more sympathetic to China. Indonesia and Vietnam would continue to play a "neutral" role in the face of political competition among major powers. In other words, the emerging great geo-political game among the major powers in East Asia would pose a serious challenge to ASEAN's cohesion and efficacy in the future. And, that challenge

would come from differences in their views regarding the nature of power shift and the strategy to respond to it.

The fifth challenge stems from the India factor. ASEAN is also faced with a complex policy problem in developing its relations with India. As mentioned earlier, India still sees the need to play a role as a balancer or counterweight to China in the region. The US and Japanese leaders have in fact explicitly expressed this reason as a basis for developing strategic relationship with India. In other words, both India on the one hand, and the US and Japan on the other, pursue a hedging strategy in responding to the rise of China. Therefore, the challenge for ASEAN is how to foster good and close relations with India while assuring Beijing that such growing relationship is not part of a containment strategy against China in East Asia.

Sixth, ASEAN is also concerned about the possible regional uncertainties stemming from the rise of China. There is no guarantee that in the future a powerful China, both in economic and military terms, would continue to be a *status quo* power. There is also no guarantee if China would not pursue revisionist foreign policy agendas. The concern with China relates first and foremost to the question of how China is going to use its new stature and influence in achieving its national interests and objectives in the region. Despite tremendous improvements in ASEAN-China relations, various problems continue to persist in bilateral contexts. Responses from ASEAN member states towards the rise of China would also be influenced by China's willingness and seriousness to resolve those problems. At regional level, ASEAN would not want to see China that seeks to dominate the region and defines its relations with ASEAN states in terms of its competition with other major powers. So far, it is important to note that China has pursued positive foreign policy measures in assuring Southeast Asian states that it has no such intention. ASEAN expects that China continues to strengthen its commitment and engagement in a web of multilateral security cooperation and dialogues in the region.

*ASEAN's Responses*

It is not easy for ASEAN to manage such formidable challenges that might result from the dynamics of major powers relations. However, due to its nature as a middle power, ASEAN also has an opportunity to continue to play a positive role in maintaining the stability of the emerging regional order in East Asia. Such an opportunity, among others, stems from its experience as a "driving force" in managing East Asia's international relations. ASEAN has so far succeeded in extending the ASEAN's model of multilateral cooperation in the region, especially through the ASEAN Regional Forum (ARF) and the process of East Asia community-building. By default, until today ASEAN has

become an important player acceptable to all in the wider Asia-Pacific, including the major powers.

However, ASEAN finds itself in an increasingly difficult situation. Its attempts to play the role as a "manager" of regional order effectively, such as through the role as "a primary driving force" in the ARF, has been and still is constrained by the presence of intra-mural challenges. The first constraint is found within ASEAN's institutional arrangements, which has now come under pressure due to developments in some member states. The second constrain stems from the fact that Southeast Asia region remains preoccupied with a set of regional problems (both in traditional and non-traditional sense) that needs to be resolved by ASEAN. The third constraint is derived from the fact that even within ASEAN itself most member states are also beset by its own domestic problems, which in turn poses a challenge to an effective regional cooperation.

Indeed, as mentioned earlier, ASEAN's position within the regional power configuration – especially within the triangle relationship between the US, Japan, and PRC – has increasingly become more problematic. Moreover, the multiple threats and complex security problems facing ASEAN clearly requires the Association to rethink its rationale, strengthen its institutions, and embark upon a new course to renew itself. For example, during the 9th Summit in 2003 in Bali, Indonesia, ASEAN leaders agreed to transform the Association into a security community by 2020. In the Bali Concord II, ASEAN leaders affirm that the ASEAN Security Community (ASC) "is envisaged to bring ASEAN's political and security cooperation to a higher plane to ensure that countries in the region live at peace with one another and with the world at large in a just, democratic and harmonious environment".[16]

The agreement reflects ASEAN's commitment to create a community of nations characterised not only by the absence of war, but also by the absence of the prospect of war among member states. It is a regional grouping that has renounced the use of force, and the threat of the use of force, as a means of resolving intra-regional conflicts. The ASC would strengthen ASEAN's commitment to resolve conflicts and disputes through a depoliticised means of legal instruments and mechanisms, and through other peaceful means. If realised, this initiative would contribute greatly to the strengthening of ASEAN. However, the challenge still lies in the implementation of the ASC and in the commitment of all ASEAN member states to the idea.[17]

[16] The Bali Concord II, signed in Bali, Indonesia, by ASEAN leaders on 7 October 2003.

[17] See, Carolina Hernandez, "The Current State of ASEAN Political-Security Cooperation: Problems and Prospects in Forming an ASEAN Security Community," paper presented at The 4th U.N.-ASEAN Conference on *Conflict Prevention, Conflict Resolution, and Peace Building in Southeast Asia: ASEAN Security Community and the U.N.*, Jakarta, 23-25 February 2004.

ASEAN has also taken steps to restructure and strengthen its extra-mural security management. First, in dealing with the rise of China, ASEAN has moved to forge a closer relationship with that country through a "strategic" partnership in the hope that China can be locked in a web of cooperative relationship. Second, ASEAN has also strengthened its relationship with Japan through the framework of "dynamic and enduring partnership" which has now moved beyond traditional areas of cooperation (trade, ODA, and industry and technology) to include deeper political and security cooperation. Third, ASEAN continues to see the US as an indispensable power for regional security and prosperity. However, the relationship with the US remains problematic. While ASEAN is committed in supporting and joining the US-led the war on terror, the agenda certainly needs to be expanded.

At the regional level, ASEAN has also taken a two-pronged approach. At one level, ASEAN continues to promote the merits and importance of security multilateralism in East Asia through the ARF, within which inclusiveness has served as an important characteristic of regional order. Indeed, in coping with security challenges, ASEAN believes that multilateral approach would be more realistic and more beneficial to every one in the region, both regional and extra-regional players. ASEAN has played an instrumental role in instituting a multilateral security framework in Asia-Pacific. The creation of the ARF is a testament for that. With ASEAN's role as a primary driving force, the ARF serves as the only multilateral forum for security cooperation the region, involving not only Southeast Asian, South Asian, and Northeast Asian countries, but more importantly also Russia and the US. Through the ARF, member countries are expected to seek and attain national security with, not against, the regional partners. ASEAN also expects that the ARF could serve as a constructive venue for major powers – especially China, Japan, and the US – to engage each other in a spirit of cooperation. Indeed, for ASEAN, the ARF – despite its shortcomings – serves as a venue through which its security interests, and the interests of extra-regional powers, could be best attained.

The centrality of the ARF in ASEAN's regional policy is also reaffirmed in the Bali Concord II. Despite its nature as an internal working mechanism, the ASC also provides some guidelines on how ASEAN would manage its relations with extra-regional countries, especially in the Asia-Pacific region. The Bali Concord states that the ASC "shall contribute to further promoting peace and security in the wider Asia Pacific region..." and that "the ARF shall remain the main forum for regional security dialogue, with ASEAN as the primary driving force." It also maintains that the ASC will be "open and outward looking in respect of actively engaging ASEAN's friends and Dialogue Partners to promote peace and stability in the region, and shall build on the ARF to facilitate consultation and cooperation between ASEAN and its friends and Partners on regional security matters."

At the other level, ASEAN has also supported the idea of an East Asia regionalism that excludes the US through the agreement to move towards the creation of an East Asian community (EAc). This process has taken an important step forward with the convening of the First East Asia Summit (EAS) in Kuala Lumpur in December 2005. The EAS is meant to "promote community building in this region" and "form an integral part of the evolving regional architecture."[18] It was also agreed during the First EAS that the aim of the EAS is to promote "peace, stability and economic prosperity in East Asia" through a partnership between ASEAN and other participants of the EAS. Through this undertaking, the EAS participants pledged to foster strategic dialogue, promote development and deeper cultural understanding.[19] In this context, the EAS would serve as an important mechanism for promoting the process of East Asian community-building. The key question, however, remains: can the East Asia community-building process function as a mechanism for managing the new emerging regional order in East Asia?

## Concluding Remarks: Can the East Asian Community Manage the New Emerging Regional Order?

Despite the enthusiasm expressed by some participants to the First EAS regarding the prospect for a regional community-building in East Asia, the nature of such community and how the process should proceed remain subject to debate. For example, critics have expressed some doubts whether the idea could really take off and soon become a reality. Supporters of the idea pointed to the first EAS as a reason for optimism that the process has in fact started and will continue to contribute to the realisation of the idea. In between these two views, there are others who argue that the creation of an East Asia community would be made possible by the growing economic cooperation and integration among East Asian states. This view also argues that trade could be the catalyst for regional identity-building.

In the long-term, however, the approach that temporarily puts aside the political and security dimension of regional-community building would not be beneficial to the process. Any undertaking at regional community-building needs to give parallel focus on both economic and political-security dimension. An exclusive focus on economic dimension would only contribute to the creation of a one dimensional regional community, namely a regional economic community. It is true that economic cooperation, which might lead to greater economic integration, often serves as an initial driver for a regional community-building. Nevertheless, if a comprehensive community-

[18] *Kuala Lumpur Declaration on the East Asia Summit*, Kuala Lumpur, 14 December 2005.
[19] Ibid.

building is to be achieved, then it is also imperative to explore ways by which political and security cooperation could either facilitate or hamper the process.

In that context, there are at least four problems that need to be overcome before the East Asia community-building could function as a regulatory framework for managing the new emerging regional order in East Asia. First, the process of East Asian community-building will work only if all participants have no other motives in joining the process than to sincerely cooperate in order to promote peace, security and economic prosperity in the region. Suspicions about each other's motives need to be erased. We have heard, for example, some speculations that China's participation is motivated by the need to exclude the US and dominate the process. Japan has been accused of joining the process in order to balance China and to represent American interests. ASEAN is also accused of trying to use the process of East Asian community-building to maintain its centrality in managing regional order. In light of these unpleasant charges, it is imperative for all parties to the process not to allow their respective national interests to undermine the common goods of the region. In fact, the community-building process should serve as a theatre where common interests are to be consolidated, and differences to be resolved in a peaceful manner.

Second, the move towards East Asian regionalism is in fact an ASEAN-driven process. It began as a modest undertaking of informal meeting among foreign ministers of Southeast and Northeast Asian countries in the ASEAN Plus Three (APT) process. The process, however, accelerated with the institutionalisation of the APT Summit, which has now become an established framework of cooperation between ASEAN and Japan, China, and the ROK. Indeed, the APT Summit has always been held in conjunction with the ASEAN Summit. It has become an important regular feature of annual ASEAN high level event. This practice will continue for years to come, and the EAS has reinforced it. Indeed, like the APT, the EAS will also be held in conjunction with the ASEAN Summit, and chaired by an ASEAN member state. This practice has been seen by some as a possible obstacle to the creation of a truly East Asian regional arrangement.[20] Therefore, it is imperative for ASEAN to put its house in order first in order to be able to play its role as "the driver" effectively.

Third, there is still the problem of defining the nature of East Asian community-building process. The key issue is the nature of relationship between the East Asian community (EAc) and the EAS. Two different views were visible before the East Asia Summit in Kuala Lumpur in December 2005.[21] One view maintained that the EAc was a

[20] See, Kanishka Jayasuria, "Asia-Pacific Regionalism in the Form of "Minilateralism'", *The Strait Times* (Singapore), 18 November 2000.

[21] IISS, "The East Asia Summit: Towards a Community – Or a Cul-de-sac?" *Strategic Comments*, vol. 11, Issue 10 (December 2005), and Noriko Hama, "How Not To Build an East Asian Community," *Open Democracy*, available at http://www.openDemocracy.net

separate process from the EAS. This view argued that the East Asian community-building should be a process based on the ASEAN Plus Three cooperation, while the EAS should only be a forum for dialogue on broad strategic, political and economic issues of common interests and concerns. China and Malaysia shared this view. The other view maintained that the two processes should closely be linked, because the East Asian community that needs to be created should not be confined to the ASEAN Plus Three countries only. This view found its supporters in Japan and Indonesia. It is not immediately clear whether these two views have been reconciled.

Fourth, there is a problem of identity. It is not immediately clear also whether the East Asian community would constitute an extension of ASEAN community or a new institution of its own. While there has been an agreement that the EAc will continue to represent an ASEAN-centric process, the identity problem is still complicated by the diverging views within ASEAN itself regarding the nature of Australia, New Zealand and India. The main issue of contention here is whether these three participants to the EAS can be qualified as East Asian states. The problem of regional identity-building is also complicated by the diversity in national and political identity of individual East Asian states. These differences in national identity would in turn make it difficult for any effort to forge common norms and values as essential prerequisites in any regional community-building process.

Despite such problems, however, the EAS in particular and the East Asia community-building process in general serve as an important venue for three East Asian major powers – China, Japan and India – to interact and develop the habit of cooperation and strengthen the framework of multilateral cooperation among them. The low level of trust among the three major powers should not become an obstacle for cooperation. As demonstrated by ASEAN's experience of cooperation, by instituting the habit of dialogues states could manage the possibility of misunderstanding and misperception among member states. It is through cooperation that trust is built, not the other way around. Cooperation – despite the lack of initial trust among parties involved – can also create trust over time. If the three major powers could develop the habit of cooperation within the institutional framework of the EAS, the fear of "betrayal" among themselves could be reduced, and the merit of compliance is ensured.

In other words, institution does matter and can affect state behaviours. In that context, the uncertainties associated with the process of power shift that characterises the new emerging regional order in East Asia clearly require greater efforts at institution-building. The East Asian community-building process constitutes one promising mechanism by which regional states, including the major power themselves, can manage differences and promote common interests within the new emerging regional order in East Asia. However, in order to succeed, every participant to the

process should recognise that the process of regional community-building in East Asia is a long-term project which requires a mixture of realism and idealism.