The Geopolitics of Asia-Pacific Regionalism in the 21st Century*

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Introduction

Overall, it is clear that, with the ‘collapse’ of Cold War bipolarity, regionalism has become increasingly important in world politics, especially in the context of economic globalisation. Not surprisingly, since the end of the Cold War, there has been a resurgence of interest in regionalism among policy-makers, business people and academics. In many parts of the world, opportunities afforded by the end of the Cold War have resulted in a significant increase in regional institutionalisation.

The resultant proliferation in the number of regional groupings has led to a widespread debate over the causes and the effects of regionalism and the particular functions which regionalism might perform. Since regionalism is ‘constructed’ and is not ‘natural’, then it is an inevitably contested concept both in theory and in practice. Competing views exist in terms of regional membership and regional goals, for example, as well as the particular emphasis which member states place upon these goals. Unfortunately, however, as has been pointed out, much scholarship on Asia-Pacific regionalism tends to neglect the political (Beeson, 1998). The aim of the present paper is to begin to address this ‘neglect’ and to consider the political as well as economic implications of Asia-Pacific regionalism, with particular emphasis being placed on some of its geopolitical implications both regionally and globally.

The Asia-Pacific region (defined here as states of the Western Pacific Ocean plus South Asia — Dobbs-Higginson, 1993) has not been immune to global regional developments, and, while there are a number of sub-regionalisms, there still does not exist a region-wide grouping with uncontested goals which stands in opposition to European and North American regionalism. What regionalism there has been in this regard has been relatively weak and highly contested and yet has paradoxically been regarded as part of a global trend towards “new regionalism” (Palmer, 1991). The

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paper will endeavour to explore these issues and to critically evaluate the rationale of attempts to create region-wide groupings and to assess the prospects and geopolitical implications for an Asia-Pacific regionalism during the course of this century.

The essential argument of the paper is that for reasons of identity, security and long-term stability that it is in the interests of all Western Pacific peoples and states to construct their own brand of “new new regionalism”. In order to develop this argument, the paper is divided into four parts and the question of ‘what is regionalism?’ will be addressed first. Second, geopolitical models depicting the global structuring of space will be discussed in the context of Asia-Pacific regionalism. Third, the contested nature of constructed Asia-Pacific regionalism will be discussed. Finally, proposals to create a specifically Western Pacific/East Asian regionalism and to construct a new regional community will be evaluated.

What is Regionalism?

Even a cursory examination of relevant social science literature reveals a multiplicity of definitions of the term regionalism. Secondly, depending on the point of view, regionalism can be seen to satisfy a wide range of social, economic, environmental and geopolitical functions.

Defining Regionalism

Regionalism has often been taken to be synonymous with economic regionalism (for example, Ravenhill, 1995). Much of the early regionalism debate, in particular, appears to have been predicated on the belief that the economic dimension of regionalism is pre- eminent. Second, this privileging of the economic was taken to be non-controversial and was in turn linked to a view that regionalism was unidimensional. However, it is clear that there is a wide variety of perspectives on regionalism and that the concept cannot be simply conceptualised in economic terms (Table 1).

On the other hand, regionalism can also be conceptualised as being both informal and formal (or ‘official’). It is informal in the sense that it can be equated with a sense of belonging or feeling of community in a socio-cultural sense — that is, it is a social construct associated with identity. From this perspective, regionalism can become a rationale for policies associated with stability and control within a perceived sphere of influence. This connects with an idealist view of community in which regional policies are designed to create regional benefits and that members receive an equitable share of those benefits.

On the other hand, regionalism can be more formal or official. In this sense, it is created or constructed to meet certain state or other functions. As a result, there exist a variety of types of constructed regionalisms — economic, security and environmental. In a deterministic sense, geographical contiguity or propinquity has generally implied a degree of interest congruence between
From this point of view, we can distinguish between three essential types of regionalism — first, *bilateral regionalism*, in which regional arrangements involve two contiguous states — for example, the Closer Economic Relations (CER) agreement between Australia and New Zealand; second, *trilateral regionalism*, in which the regional grouping comprises three contiguous states — for example, the numerous cases of ‘growth triangles’ designed principally for cooperative economic development at state peripheries; and third, *multilateral regionalism*, or regional arrangements involving several contiguous states and/or states adjacent to a region of common concern, such as the Antarctic or the Indian Ocean.

Regionalism is also not uni-scalar — that is, it can occur, be portrayed or be created at different scales. Thus, the contested regional concept, ‘Asia-Pacific’, has been seen to be represented at a number of different scales — for example, the scale of an overarching Pacific Rim or Pacific Basin concept which is an Asia and Pacific concept; second, a less inclusive Asia-Pacific Economic Cooperation (APEC) scale; third, the scale of the Western Pacific states, and, fourth, a regional concept which is exclusively Asian. As with all regionalisms, there exist a variety of (often competing) economic and geopolitical motives both for constructing and for portraying the Asia-Pacific in different ways or for creating different Asia-Pacific regionalisms at different scales.

This touches on one of the more important dimensions of contested regionalism — that of inclusivity or exclusivity — that is, whether the scale or the type of regionalism includes or excludes
certain states, and, in addition, whether the type of regionalism is in full accord with or conflicts in some way with state goals. This dimension of contested regionalism can be seen to operate in practice from two perspectives. That is, from the viewpoint of the state wishing to be included, and, from the perspective of the state or states wishing to implement exclusion. In either case, membership of regional organisations can be used as a mechanism for creating or reconstituting some form of regional identity.

**The Functions of Regionalism**

Two state options offered by economic globalisation include either a rejection of nationalism or a rejection of global competition. This has caused some commentators to represent regionalism as being antithetical to globalisation. On the other hand, it has also been argued that, rather than being antithetical, globalisation and regionalism are in fact complementary processes and that they occur simultaneously and interact (Rumley, 2000). For example, increasing globalisation and deregulation associated with a decline in national economic control can induce a ‘compensatory’ regional process.

However, regionalism can be attractive to states and groups of states for a wide variety of reasons and for a range of social, geopolitical and economic functions. From what has just been said, regionalism can be seen as a form of resistance to globalisation and as a mechanism for the consolidation of state power. On the other hand, the opposite can also be true, especially if a central goal of regionalism is economic deregulation. In this sense, regionalism can be said to function in order to facilitate globalisation.

In the 21st century, it is clear that many problems concerning human survival and/or national development require state cooperation at the regional level. Regionalism thus functions as an appropriate organising unit for international cooperation at a scale between unworkable global schemes and unsatisfactory national approaches. In other words, regionalism can be seen as possessing an intermediary role between narrowly-defined nationalism and overly-broad globalism. From an economic perspective, some writers refer to attempts to use regionalism as a mechanism to build new institutions which transcend the nation-state in economic contexts as a “strategy of size” built around notions of economic power and economies of scale (Palan et al, 1999).

Accepting regionalism on this basis in general ensures that states can have an influence and a distinctive role in solving regional problems within a manageable group. Working in this fashion not only provides a potential mechanism for controlling the behaviour of other regional states, but it also gives the regional group collective power in bargaining with other non-regional states and regions which otherwise would not exist. This invariably means that regionalism is likely to provide member states with a greater degree of security in the broadest sense of the term.

However, while regionalism can potentially fulfil a range of functions at different scales, there
exist at least six sources of contestation. First, is the basic issue of whether regionalism is at all considered to be necessary or important. Second, contestation is likely to arise over the type of regionalism which is considered to be the most appropriate. Third, the geographical structure of regionalism is invariably contested — who should be members?, who should not?, and so on. Fourth, the goals of the regional grouping are likely to be internally contested. Fifth, states with overlapping regional membership may place themselves in cross-pressured situations which can adversely affect the internal coherence of regional groups due to goal conflicts. Finally, one source of ongoing concern within regional groupings is the extent of member equality. On the one hand, the dominance of one particular state in terms of regional decision-making can be a negative consideration for some member states. On the other hand, incorporating a dominant economic and political power within a regional grouping could facilitate market access and thus be of benefit to smaller states. Such a growth in regional economic interactions in turn might lead to greater regional institutionalisation.

This latter point touches on a potentially significant theoretical issue regarding the nature and functions of regionalism. One of the general arguments of Western neorealists is that international economic cooperation is heavily dependent on the presence and efforts of a hegemonic leader (for example, Gilpin, 2001). Among other things, the hegemon is seen as playing a key role in sustaining commercial and financial openness. Following this line of argument, we should observe regionalism to be developing more fully where a local hegemon is able to create and maintain regional economic institutions. We would also expect that regionalism would advance more slowly in those areas where local hegemonic leadership is less apparent. While the case of the Americas (USA within NAFTA and Brazil within MERCOSUR) may lend some support to this hegemonic leadership hypothesis, the cases of Germany within the EU (not-so-high hegemony with high institutionalisation) and Japan within the Asia-Pacific region (high level of hegemony with low level of institutionalisation) run counter to this view. In short, outside of the American context, it would appear that the presence of a regional hegemon is neither a necessary nor a sufficient condition for the emergence of successful regional economic or perhaps of any other types of regional institutions.

As has already been pointed out, the emergence of regionalism can be seen in part as a response to the dynamic processes of globalisation. The social science literature has been replete with global geopolitical maps or models purporting to display structures that represent new regional geopolitical realities or which represent the direction of global geopolitical change (for example, Rumley, 1999, pp. 8–25). Like all such models, not only do they represent ethnocentric and overgener-
alised constructions, they are also generally closely allied to present and future global policy needs, desires or intentions on the part of certain individuals, groups or states.

In the 20th century, two simple models were especially influential in describing the global differentiation of space (Figure 1). During the Cold War period, at the broadest scale, global space was differentiated primarily on ideological grounds — the East (the communist world) and the West (the capitalist world). The overgeneralised nature of this model, however, meant that states such as Japan, Australia and New Zealand did not neatly ‘fit’ this geographical differentiation.

With the demise of the Soviet Union and the end of the Cold War period, the most important basis for the differentiation of global space was on economic grounds (Figure 1). Thus, we had the rich states of ‘the North’ and the poor states of ‘the South’ (Brandt, 1980). Once again, the Australian states continued to defy the ‘logic’ of the overgeneralised model. Perhaps this is why in Wallerstein’s core-periphery model, a semi-periphery category needed to be created to accommodate such cases?

This point aside, in essence, both the ideological and the economic models were bipolar models — that is, they are based on oppositions of a geographical duality. The most recently expressed 21st century bipolar model is one in which the duality is much more explicitly related to the nature of globalisation. This is Barnett’s “functioning core” and “non-integrating gap” (a restated ‘neutralised’ core-periphery?) model as expressed in his recent book, The Pentagon’s New Map: War and Peace in the Twenty-First Century (2004). In this book, Barnett draws an extremely arbitrary boundary between those states which are seen to be actively integrated into the global economy — that is, the “functioning core”, and the remainder which constitute the “non-integrating gap” (Figure 2). While the core states “adhere to globalisation’s emerging security rule set”, the states of the gap apparently do not (Barnett, 2004, 25–6). The gap states are also characterised as being “poor”, and as places where life is “nasty”, “short”, “brutal” and “solitary” (Barnett, 2004, 161–166). Thus, from his map in the Asia-Pacific region, while all of the ASEAN states (including Singapore!) and Sri Lanka are seen to be located within the non-integrating gap, others, such as North Korea, are portrayed as being part of the functioning core. However, as has been noted elsewhere, Singapore is one of the world’s most globalised states (Kearney, 2001). Furthermore, while the Barnett model

Figure 1 Two 20th Century Bipolar Global Pan Region Models
assumes state homogeneity (in the sense that all parts of a state are seen to be equally ‘globalised’), the islands of the Pacific Ocean do not seem to exist at all!

Apart from reasons of simplicity, ethnocentrism and policy orientation, some social scientists are attracted to bipolar global geopolitical models because of their assumed stability — that is, more than two regions (or more than two superpowers) is seen to create a global environment of instability. While others assume that a unipolar model is necessary in order to guarantee stability (for example, Brzezinski, 1997), yet others argue that the diffusion of global economic and political power to more than two centres inherently affords greater global stability. The tripolar (or trilateral or tripartite) global model, whose fundamental basis is geopolitical, is seen to be hypothetically attractive to some members of this latter group of scholars (Figure 3).
In this tripolar model, the global differentiation of space is based upon the Americas (pan region 1), Euro-Africa (pan region 2) and the Asia-Pacific region. This construction is similar to the German pan region model (Figure 4) of the 1940s (O’Loughlin and Van der Wusten, 1990) and to a quasi-Wallerstein model which identifies three core-periphery pan regions (Figure 5), each dominated by a Northern core — the USA, EU and Japan — and containing a Southern periphery (Peter Taylor, 1993, 55). To those living within the Asia-Pacific region and elsewhere favouring neither a unipolar nor a bipolar model, such a tripartite construction or some other multipolar arrangement possesses inherent appeal.

At least two key issues arise among the wide range of important and interesting questions which can be raised over the tripolar global geopolitical model. First, is the extent to which attempts have been made by constituent Asia-Pacific states to construct such a model. Second, is the
degree to which there is a functional economic and political relationship among constituent states in the Asia-Pacific pan region.

**Asia-Pacific Regionalism Past and Present**

*The Emergence of Asia-Pacific Regionalism*

From the onset of the second world war, the Asia-Pacific region has seen many and varied proposals for regional groupings including the 1940s German depiction of global structuring depicting an Asia-Pacific pan region with a Japanese core being supplied food and raw materials by the rest of the region (Van der Wusten and O’Loughlin, 1990). The subsequent construction of Asia-Pacific regionalism was inevitably influenced by the creation in 1940 of Japan’s Greater East Asia Co-prosperity Sphere (GEACPS). While this policy was originally confined to East and Southeast Asia, during the course of the second world war Australia, New Zealand and India were added.

In the post-war period, region-wide cooperation in the Asia-Pacific has been especially promoted by two overlapping groups — the core states of the USA and Japan plus a ‘second track’ group comprising business people and academics. In particular, the Cold War environment of the 1960s was an impetus for regional cooperation proposals, initially advanced as a Pacific Free Trade Area concept and supported by Japan (Berger, 1999).

In 1967, ASEAN was created primarily for security reasons, and one year later, the Pacific Basin Economic Council (PBEC) was formed. The latter group incorporated government, business and academic members dedicated to the promotion and development of cooperative relations around the Pacific region. In these cases, the central motive was very much one of regional cooperation.
Post-Cold War regional groupings in the Asia-Pacific region have also generally been promoted on the basis of a number of perceived economic benefits to member states. In particular, they have been preferred for a range of economic security reasons. It was hoped, for example, that Asia-Pacific regionalism would facilitate high economic growth rates for individual member states. In addition, it was felt that greater intra-regional interaction would reduce the prospect of conflict among states based on an ‘economic cooperation thesis of non-conflict’ or an ‘expense of conflict thesis’ — that is, a view which suggests that stronger intra-regional economic, social and political linkages will ensure a prohibitive cost for traditional armed conflict among regional member states.

The various types of Asia-Pacific regionalisms which eventuated were identifiable at different scales — from the region-wide Asia Pacific Economic Cooperation (APEC) grouping to sub-regional groupings such as ASEAN to several kinds of inter-state growth triangles and development areas located at state peripheries. However, the combination of regional historical context, the end of the Cold War and globalisation ensured that Asia-Pacific regionalism was likely to have a distinctive character from that in Europe.

**The Asia-Pacific, Economic Globalisation and ‘Old’ and ‘New’ Regionalism**

Ohmae and many other commentators have made the point that with economic globalisation the nation-state is no longer the most efficient and functional entity for a range of economic functions (Ohmae, 1995). With the creation of the EU, the strategy of sheer market size referred to earlier became a strategy for competition. NAFTA and other constructed regionalisms have also emerged partly in response to and partly in emulation of the European example.

While similarities exist to the European example in terms of the strategy of size, a number of important differences exist in the regionalisms which emerged later in the case of the Asia-Pacific. This has caused a number of commentators to distinguish between an ‘old’ regionalism and a ‘new’ regionalism (for example, Rumley, 1999, pp. 43–56). ‘Old’ regionalism, which was mainly a West European phenomenon, was a product of the post-war/Cold War environment and was characterised as being at least initially primarily geopolitically driven. Furthermore, it tended to be somewhat self-contained and inward-looking and constituted itself on the basis of formal regional organizations. These organizations consisted of a group of like-minded states whose economies were at similar levels of development and who were in opposition to an adversary, the Eastern Bloc.

On the other hand, ‘new regionalism’, being essentially a product of economic globalisation, emerged later. In contrast to ‘old’ regionalism, the ‘new’ regionalism was primarily market driven, was more outward-looking and more open and was designed to be more flexible. In addition, unlike its original European counterpart, new regionalism incorporated diversity both in terms of economies at different stages of economic development and in terms of diverse political systems.
(both capitalist and communist). As its networks were more inclusive and more ‘open’, ‘new’ regionalism emphasised the importance of many other non-state actors in the process of regional cooperation.

Not surprisingly, the term ‘new regionalism’ has itself been challenged on several fronts. For example, some see ‘open’ regionalism to be an oxymoron. Others see it as a tautology, since regionalism by definition is inclusive/exclusive and organisational goals, decisions and outcomes are also collectively determined from the inside. Notwithstanding these criticisms, the APEC group is often taken to be an example of ‘new regionalism’ in contrast to the so-called ‘old’ European model.

The Creation of APEC

It is no coincidence that APEC emerged as the Cold War was ending. From the perspective of the global geopolitical models discussed earlier, in the case of the Asia-Pacific, ideological regionalism (which was regionally-divisive) gave way to economic regionalism (which was potentially regionally-integrative). The APEC concept was launched by former Australian Prime Minister, Bob Hawke, in Seoul in January 1989 at a meeting of representatives of 12 major trading states in the Asia-Pacific region — the then 6 ASEAN states plus Australia, Canada, Japan, New Zealand, South Korea and the USA. This initiative occurred more than 20 years after Japanese Prime Minister Takeo Miki had launched the “Asia Pacific policy” (Terada, 1998).

From an Australian perspective, “trade and investment imperatives” are often referred to as being primarily responsible for its instrumental role in the APEC process. However, it is still a matter of some conjecture as to whether APEC was solely an Australian concept and while Japanese influence was critical in its inception, perhaps Australia was acting as a kind of facilitatory intermediary, a global role which seemed to more clearly defined during Gareth Evans’ term as Australian Foreign Minister.

To an extent, the issue of regional membership was contested at the outset. It appears that the Australian representatives were keen to seek a consensus on a range of economic issues with 9 other West Pacific states. However, it seems that the argument was put (and accepted) that it would be “advantageous” if the 10 states could agree on North American membership, and, consequently, USA and Canada were included. The resultant 12 APEC states had their first official meeting in Canberra in November 1989 and annual meetings have been held thereafter.

The Dynamics of APEC Membership and Goals

As a regional institution, APEC was contested at birth both in terms of its name and in relation to its membership. In terms of the former, it has been suggested that since the acronym APEC does not end with “association”, “group”, “forum” or even “organization”, then this is indicative of
some reluctance on the part of its founders to create a fully-fledged institution. APEC has thus been described, perhaps too harshly, as four adjectives in search of a noun.

Secondly, in terms of its membership, some of APEC’s original founders had contemplated a limited membership group comprising states in Asia and Oceania, which had ASEAN at its heart. However, the strong pressure exerted by the USA and Canada led them to become charter members. Furthermore, from its original West Pacific regional concept, by 1994, with the addition of Chile following the inclusion of Mexico and PNG in 1993, APEC had effectively become a Pacific Rim grouping. The original plan to alternately host APEC meetings in ASEAN states also broke down at the beginning of this century (Table 2).

As can be seen from Table 2, APEC has met twice in Thailand and in South Korea, and once in all other member states apart from Papua New Guinea, Peru, Russia and Vietnam, although the latter has been chosen as the venue for the 2006 meeting.

In the mid-1990s, there was considerable discussion about the prospect of India becoming a member and it even seemed likely that Australia would be one of its principal sponsors. However, at the APEC Leaders Meeting in Vancouver in November 1997, rather than adding India as some had hoped and expected, Peru, Russia and Vietnam were admitted (Table 2). While the admission of Vietnam might be reasonably explained on account of its ASEAN membership and the addition

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*Ministerial Phase 1989–92; Economic Leaders Phase 1993 onwards
*addition of PRC, Hong Kong and Chinese Taipei
**addition of Mexico and Papua New Guinea
***addition of Chile
****addition of Peru, Russia and Vietnam
of Peru ‘fits’ a Pacific Rim concept for APEC, the admission of Russia was much more regionally debatable. The admission of Russia into APEC in 1997 (bringing APEC membership to the present fixed level of 21) has been interpreted in various ways. Overall, it seems that the purpose of APEC membership is now to satisfy global geopolitical as much as regional economic goals. For example, to some commentators, Russia’s admission was seen as a kind of “consolation prize” for US opposition to its entry into NATO. Others have suggested that, rather than representing ‘regional’ interests, APEC has now become too influenced by global politics. Such writers have argued that Asia-Pacific issues would thus be lost to global issues, since Russia would be unlikely to restrict discussions to its Far East Region. The decision to include Russia, which appears to eventuate from pressure from China, Japan and South Korea with US support, was severely criticised at the time by some Australian journalists and ex-politicians.

There are at least two other geopolitical implications of the process — which began in Seattle in 1993 — by which APEC has become effectively ‘deregionalised’. First, APEC membership now includes all first order states outside of Europe. APEC could thus be seen as not only being concerned with global rather than Asia-Pacific regional issues, but that it has essentially become an economic pressure group against Europe. Second, the USA is afforded considerable additional global economic leverage by being a member of both NAFTA and APEC. In this sense, too, the USA has aligned itself economically against Europe, on the one hand, while working to weaken Asia-Pacific regionality, on the other. Others have suggested that one of the causes of APEC ‘drift’ is due to its use by the United States to pursue its neoliberal Pacific Rim economic agenda in the form of an “exploitative hegemony” (Johnson, 2000, 208–215). However, for the United States, its “grand strategic choice” is more likely to involve a mutually collaborative rather than competitive and conflictual relationship with Europe:

Without Europe, America is still preponderant but not globally omnipotent, while without America, Europe is rich but impotent (Brzezinski, 2004, 220).

Apart from the changes to APEC membership, the group has also become more institutionalised since its inception. It has also taken on a much more significant economic role and has the capacity to further broaden regional cooperation. The creation of the permanent Secretariat in Singapore, together with the beginning of the Economic Leaders phase of APEC in 1993 represent a considerable upgrading in regional status. Furthermore, from an economic viewpoint, the 1994 Bogor Declaration commits industrialised APEC members to free and open trade by 2010 and developing states by 2020. Bogor was reinforced by the 1995 Osaka Action Agenda which required each state to submit a liberalisation plan to the 1996 Manila meeting. However, almost inevitably there has been considerable internal debate since then over both the design and the implementation of the
so-called Manila Action Plan for APEC (MAPA).

**Contested Concepts of APEC**

There appear to be at least two dimensions to the debate over member concepts of what APEC ought to be as a regional organization. One centres on the concerns of some states over the freeing-up of trade in a number of areas, including fishing and forest products. A second is the feeling on the part of some industrialising APEC members that the richer states should contribute more to solving regional economic problems (including during the 1997 Asian economic crisis).

This debate is essentially divided into two broad camps — the so-called optimists and the pessimists or skeptics. On the one hand, the optimists perceive APEC as being not just as a regional economic cooperation group, but as an engine of global economic liberalisation. For example, at the 2003 meeting in Bangkok, the issue was again raised that APEC could be used as a pressure group for global free trade. It was also felt that APEC could be turned into the world’s biggest free trade agreement if WTO talks on free trade fail. However, at the Santiago meeting in 2004 consensus could not be reached on the concept of an APEC free trade region. It seemed that APEC was split on that issue with some states (for example, Australia, Canada, Chile, NZ, Singapore, Taiwan and the USA) broadly in favour of the idea while other states (for example, China, Indonesia, Japan and Malaysia) were either very cautious or opposed.

APEC pessimists refer to three broad areas of internal contestation over regional goals, broadly conceptualised here as the cultural, inevitability and inequality arguments. Some writers have suggested that there is a general level of cultural contestation within APEC regarding its goals (for example, Gallant and Stubbs, 1997). This view suggests that APEC member states are essentially split into two groups — those with a “neoliberal” orientation to APEC goals and those possessing an “Asian” orientation. The neoliberal position, supported principally by Anglo-Saxon APEC member states, not only seeks to promote the economic liberalisation agenda more forcefully, but also wishes to pursue more vigorously the strengthening of APEC’s institutional structure. In short, the neoliberal group wants free trade and a greater degree of APEC institutionalisation, somewhat akin to the European ‘old’ regionalism model. The “Asian” view, in contrast, tends to place much greater emphasis on consensus, flexibility and process over institutionalisation. The end result is that, in effect, there is a danger of a split into a US-led ‘Anglo-Saxon’ APEC and a Japan-led ‘Asian’ APEC. Japan, for example, appeared to prefer regional trade cooperation to regional free trade (Berger, 1999).

An additional variable which might be seen to exacerbate internal conflict relates to APEC’s size. At 21, up until quite recently, it was the largest of the regional groupings, having grown by nine members in less than a decade. The EU in contrast took more than 40 years to do the same thing. To a degree, APEC’s size and cultural diversity make it a somewhat unwieldy ‘regional’ or-
ganization.

A second broad area of internal contestation centres on the overall measurable economic benefits achieved by APEC in its 16 years of existence, as well as what might otherwise be achieved by a move towards regional free trade. One view of this inevitability argument is that increases in intra-Asia-Pacific trade are in any case inevitable due to regional economic change and development. Some attempts have been made to determine the potential economic benefits to APEC states of freer regional trade. For example, one econometric model of bilateral trade flows has shown that APEC trade would be expanded in the order of about 13% with the complete removal of all tariff barriers. However, an alternative position to that of the ‘free trader’ is that such an increase might have occurred in any event due to the nature of regional economic growth over which APEC as an institution is unlikely to be able to do much to facilitate in the short-term. Some have even gone further to suggest that APEC’s actions might to some degree undermine global economic institutions and even lead to an increase in region-based economic competition and conflict.

A third broad source of intra-APEC contestation revolves around the inequality argument. This argument goes further than the second in that it suggests that the implementation of an APEC neoliberal agenda will likely have a negative impact on smaller member states and on the poor, the rural landless and on wage labourers. Contained within this perspective is the prospect of regional destabilisation due to an under-emphasis on “people security”.

Given the weight of argument from the pessimists over APEC’s overall disappointing performance (Ravenhill, 2002), it is not surprising that questions have been raised concerning its central purpose. As the Financial Times and others have pointed out, even if APEC focuses on its original goal of economic cooperation, several members are in the process of negotiating bilateral trade arrangements or have already done so. Such arrangements, presumably to a considerable degree, undermine the overall concept of regional and multilateral trade liberalisation (Financial Times, 2003).

Towards a Western Pacific/East Asian Community

The Asia-Pacific region is still in a process of transition to a new post-Cold War order. On the one hand, Asia-Pacific states are in the process of reacting to Western visions of a new world order which is resulting in new regional tensions (Rumley, 2003). On the other hand, Cold War security structures are still essentially in tact and, as has been argued above, post-Cold War Asia-Pacific regional arrangements are internally conflictual and are relatively weak, apart from those at the sub-regional level. It has been suggested that, at the sub-regional scale, “transnational ethnic social capital” is an additional factor facilitating inter-state cooperation (Chen, 2000). At the region-wide Asia-Pacific scale, on the other hand, in order to construct a Western Pacific Community (WPC) or an East Asian Community (EAC), there is a need not only to democratise security and facilitate re-
gional identity, but to create a grouping which would confront intra-regional tensions and thus enhance long-term regional stability.

**The Western Pacific and Western Security Domination**

In the current geostrategic environment of the Asia-Pacific region, the management of actual and potential regional conflicts effectively remains in the hands of a series of Western military alliances, especially the US-Japan security alliance, ANZUS and the Five Powers Defence Agreement (FPDA), all of which are guaranteed by extra-regional powers (Rumley, 2003). Indeed, as one commentator has put it, the basic structure of the Cold War still remains in the Asia-Pacific region, since the general relaxation of tensions evident from the late 1980s more closely resembles that of the 1970s European détente — that is, a recognition of a Cold War status quo — rather than the actual end of the Cold War (Hara, 1999).

As has been noted: “The region lacks any restraining cooperative structure of regional security” (Brzezinski, 2004, 107). The only region-wide security forum, the fledgling ASEAN Regional Forum (ARF), although not confined solely to Western Pacific states, has led to an increasing commitment to confidence-building measures (Catley, 2001, 150). While conceived as a mechanism for maintaining continued US regional security involvement, it is also seen by China as an instrument to facilitate Asia-Pacific multipolarity and thus as a counter to US hegemony (Emmers, 2001). However, as has been pointed out, there is a need for the ARF to move from being just a consultative forum to one which begins to address difficult regional issues, if it is to remain relevant (Garcia, 1999; Naidu, 2000). With the current global security configuration consequent upon the new internationalist agenda and the spread of nuclear weapons, Western states need to sufficiently recognise Asia-Pacific regional interests and to more effectively accommodate these in new regional and global economic and security structures.

**The Construction of an East Asian Community**

As was noted earlier, the concept of a Western Pacific regionalism was basic to early ideas of APEC. However, its reemergence is especially linked to Asian concerns over Western geopolitical and economic domination consequent upon the end of the Cold War. The growth in regional economic interdependence, however, which remained relatively low until the mid 1980s, has been achieved without the benefit of any regional institutional framework (Maswood, 2001, 7).

The nomenclature of the new process, however, rejects the terms “West” and “Pacific” and substitutes them with “East” and “Asia” in order to foster a new independent sense of identity. The Malaysian proposal in 1990 for an East Asian Economic Grouping (EAEG), which was designed to be solely Asian, was an important forerunner in this regard. However, the 1997 Asian financial crisis was a significant additional trigger since some ASEAN states in the region felt that they were
left at the mercy of Western interests. Indeed, the first ASEAN+3 meeting was called at Malaysia’s suggestion in Kuala Lumpur in 1997. The meeting in Kuala Lumpur in December 2005 thus represented the 9th ASEAN+3 Summit. The ASEAN+3 grouping, which was initially aimed at exploring common interests and identity, at the same time institutes a collective Asian economic and geopolitical voice for the 10 ASEAN states plus the 3 Northeast Asian states of China, Japan and South Korea (Dalrymple, 2003, 146–7). This would result in the creation of the world’s “third major economic zone” (Kimura, 2004).

Like all regional groupings, there exist a variety of perspectives among as well as within the thirteen members of the new grouping (as well as the excluded states) on the goals and long-term objectives of ASEAN+3. From the ‘outside’, some commentators have argued that East Asian regionalism will necessarily weaken the prospects of trans-Pacific cooperation (Elek, 2003, 264). This prospect will thus inevitably generate opposition and pressure from the United States on regional allies. From the ‘inside’, while Singapore has promoted a distinctive set of Asian values, Malaysia has strongly supported an Asian community which aims to combine both a resistance to the dominance of Western values and the creation of a mechanism to facilitate regional economic growth (Katzenstein, 2000, 356). Some commentators have argued that Japan has not been an active supporter of the new grouping and that “the challenge for the Japanese government is to counter this drive for regionalism” (Maswood 2001, 9). Other commentators, however, believe that Japan possesses an “obligation to the region as an advanced country” to support ASEAN+3 (Kimura, 2004, 9).

China appears to strongly support the ASEAN+3 concept for reasons based on maximising its own economic development and the facilitation of regional integration (Dalrymple, 2003, 146–7; De Santis, 2005). Furthermore, China sees regionalism as a “hedge against the onset of globalization”, as a means to consolidate its own power and influence and as a mechanism to try to resolve the so-called “Chinese dilemma”. From this latter perspective, an important underlying rationale is that, as a result of receiving benefits from Chinese economic development through regionalism, East Asian states would view China more favourably and with less apprehension (Takahara, 2002). While Japan seems to favour a “loose East Asian regionalism”, China sees itself as its central player and thus might object to an enhanced Japanese role (Maswood, 2001, 17). On the other hand, one Japanese commentator has noted that there is a growing recognition in China that the key to East Asian regionalism is the improvement of relations with Japan (Takahara, 2002, 39).

**Australia and East Asian Regionalism**

‘Excluded’ states, such as Australia, face a difficult dilemma regarding ASEAN+3. Indeed, it is arguable as to whether some states, such as Australia, could be seen to be ‘natural’ members of any of the three global pan-regions described earlier in this paper. In short, it is possible that the
new East Asian economic regionalism of the 21st century could exclude all Western states. Such excluded states would then have to rely on bilateral economic arrangements with those which are included, and, to some degree, this prospect is in the process of being pre-empted both by Western (for example, Australia) and some Asian (for example, Singapore) states, as noted earlier.

The inclusion or exclusion of Australia within an expanded ASEAN+3 grouping is in part associated with what can be referred to as its “trilateral geopolitical tension”. From a global and a regional perspective, Australia is seen to follow the United States militarily and politically; economically, Australia connects with Asia; culturally, Australia identifies with Europe (Figure 6). The question of an imagined Australian identity for the 21st Century is something which has tended to divide Australia’s two main political groupings. Some elements within the so-called ‘progressive’ opposition Australian Labor Party (ALP) are seen to favour stronger security, economic and cultural ties with Asia at the expense of the United States and the UK. On the other hand, the current governing conservative coalition is generally seen to be moving closer to the United States and the UK at the expense of Asia. In any event, the internal and regional (mis)perceptions and conflicts which arise out of this trilateral geopolitical tension raise questions about Australia’s real regional intentions and over its political, cultural and economic motives.

From an economic perspective, however, more than half of Australia’s commodity exports are already with East Asian states (Table 3). Furthermore, “Beijing has not excluded non-Asian states such as Australia and New Zealand from participation in a regional trading regime’ (De Santis, 2005, 28). Indeed, in August 2004, one of China’s most experienced trade negotiators, Long Yongtu, is quoted as saying that he hoped that Australia would be part of an “East Asian zone to rival Europe and America” since it is already integrated with East Asian economies (The West Australian, 2004).
This raises another interesting point about regionalism — that is, the extent to which it follows or creates increased economic interaction.

**The East Asian Summit**

The inaugural East Asian Summit (EAS) which was held in Kuala Lumpur in December 2005 marked a major shift in the enlargement of East Asian regionalism. One of the several reasons for this was that the meeting comprised the group of ASEAN states plus the three Northeast Asian states plus 3 ‘outside’ states (India, New Zealand and Australia).

At the 10th ASEAN Summit in Laos in 2004, India was officially inducted into the East Asian regional cooperation process. ASEAN is currently negotiating a Free Trade Agreement (FTA) with India and this should be in place by 1 January 2007. From an Indian viewpoint, its inclusion in the EAS demonstrates some further concrete success of its ‘Look East’ policy. China has already been in negotiations with ASEAN regarding a FTA and its normalisation of relations with India also helped the latter’s case.

Like India, the Australasian states have been ‘outsiders’ to the East Asian community process. In addition, of course, unlike India, both New Zealand and Australia are ‘non-Asian’ states. Furthermore, Australia’s ‘outsider’ position was not only a product of the trilateral geopolitical tension noted above. It was also a result of its apparent reluctance to sign the ASEAN Treaty of Amity and Cooperation (TAC). While the New Zealand Prime Minister, Helen Clark, did not appear to have similar reservations about signing the TAC and thus becoming a part of the EAS process, Australia’s hesitation in part reflected something of its perceived regional role. Consent was given by the ASEAN states for New Zealand to be a part of the TAC in July 2005. Outside of Australia and within the region, rightly or wrongly, Australian reluctance to sign the TAC rekindled concern over its possible preemption policy as well as diplomatic indignation over ‘puerile comments about it being America’s deputy sheriff in the region’ (Alexander Downer quoted in the Japan Times, 11 December 2005). From an Australian government perspective, however, being a part of the TAC agreement would have prohibited Australian participation in the East Timor intervention in 1999.

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Source: Australian Department of Foreign Affairs and Trade
The regional perception was that there was some reluctance to give away this type of regional intervention prospect. In the event, in addition to receiving strong regional support for its participation in EAS, Australia signed the TAC on 10 December 2005 and thus became a part of the community process.

Some Remaining Issues for EAS

To some extent, the problems confronted by APEC are likely to be replicated in the new East Asian regional community process and they are essentially of three types — questions over membership, concerns over EAS goals and internal divisions and rivalries among member states.

There is always likely to be some residual opposition to the inclusion of the two non-Asian states. While ASEAN+3 was the brainchild of former Malaysian Prime Minister Mahatir, his view was and still is that the EAS should be comprised solely of Asian states. In addition, some member states already seem to want to expand the EAS to include other states, especially the United States (New Straits Times, 2004). In any event, while the United States continues to prefer bilateralism over regionalism it will likely gain entry through the ‘back door’ via a series of bilateral trade deals.

In terms of EAS goals, some member states favour a view that the new 16 state grouping could/should become the world’s largest free trade area of nearly three billion people. Others see the EAS as a good forum to discuss strategic issues such as security and poverty eradication. Yet others see the overall goal of EAS as one of ‘community building’ from within and the development of strategies which are not determined externally. As one regional newspaper put it:

We are hopeful that local players will be the primary determinants of this region’s destiny, without being subject to American national interests (Jakarta Post 2005).

Nonetheless, internal divisions and rivalries will need to be overcome in order for this to be successful. Clearly, the new EAS grouping contains considerable internal cultural, economic and political differences (similar to APEC, but smaller). The incidence of internal territorial disputes, conflicts over democracy and human rights and rivalries over ‘leadership’ will all need to be confronted. Indeed, even chairing the EAS by a non-ASEAN state is likely to become a contentious issue. Furthermore, there is always internal concern that the EAS will become dominated by the world’s two largest states.

Conclusion

On the one hand, the construction of a new new regionalism in East Asia has intrinsic appeal
to regional peoples and states in order to democratise security and to provide a geopolitical counterweight to the EU and NAFTA. On the other hand, a number of longstanding regional tensions remain which have the potential to forestall such a process (Ravenhill, 2002). Philippines’ hosting of the second EAS Summit in 2006 not only confirms ASEAN’s leadership role, but also indicates a long-term ASEAN determination to facilitate its success. It is likely that at that meeting the group’s agenda, scope and goals will be more clearly articulated and more substantively fleshed out. Despite any pessimistic concerns over the possible success of EAS, in addition to helping to facilitate regional economic growth and interdependence, the new new East Asian regionalism should also be viewed as a vehicle to enable internal tensions to be confronted and mediated in order to facilitate long-term regional stability.

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