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China and East Asia Regional Cooperation and Community Building

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China and East Asia Regional Cooperation and Community Building

Major General Pan Zhenqiang¹ (retired)

Almost over a decade, East Asia² has been witnessing rapid strengthening of regional cooperation. Views are, however, divided as to the prospect of this impressive development of East Asian regionalism. Optimists hold that the rise of regionalism in East Asia bears extreme significance. The development indicates for the first time in modern history that nations in this vast region have come together voluntarily to seek the best way to cooperate in a shared vision that by pooling their huge potentials of human, natural and economic resources, they can better tackle their common problems and strengthen peace, prosperity and security. It is also their common conviction that the development of regionalism may well lead into a community building in East Asia which can not only dramatically upgrade the competitiveness of East Asia as a collective entity vis-à-vis other parts of the world, but also change the security landscape of the whole world in the end. On the other hand, a less sanguine view argues that owing

to the numerous inhibiting factors both within and outside the region, community building in East Asia has been so far only remained a concept, which may take many, many years to materialize in the future under the most optimistic estimation. This paper attempts to merge the opposing perspectives and give a more pragmatic assessment of progress as well as challenges in the effort of East Asia regional cooperation and community building, and, on the basis of the analysis, highlight China's stake in the process and its best strategy to push the regional cooperation and integration on a right track.

Development of East Asia regional cooperation and Community building

Compared with many other parts of the world including Europe, Latin America and Africa, East Asia has seen progress of the regional cooperation much later. In 1967, the Association of Southeast Asian Nations (ASEAN) was formed

1 The author wishes to stress that views expressed in the paper are those of his own, and do not necessarily represent positions of any organizations or any other individuals.

2 In the present paper, East Asia refers to the region comprising Northeast Asia and Southeast Asia.

as the first regional cooperative mode in East Asia. Providing much fine experience in regional cooperation subsequently, ASEAN was unable to expand cooperation beyond Southeast Asia in the Cold War. After the Cold War was over, the Asia-Pacific began to see the emergence of regional cooperation in a larger context. The setting up of the Asia-pacific Economic Cooperation (APEC) in 1989, the ASEAN Regional Forum (ARF) in 1994, and the Asia Europe Meeting (ASEM) in 1994 was all the efforts aimed to promote the Asian-Pacific regional cooperation. While all these cooperative mechanisms have been conducive to promoting better understanding and confidence among nations concerned, they have achieved little tangible results so far owing to the geographical largeness and geo-strategic diversity of the areas covered. Besides, they may have in a way constrained the development of the East Asia regional cooperation as per se. It was not until the latter years of 1990s, East Asia regionalism in its true sense (Southeast Asia plus North-east Asia) has been developing with increasing dynamics. Regional and sub-regional cooperation has rapidly emerged in various forms in this geographical framework, laying a very good foundation for the East Asia community building for the first time.

The following is a general picture of the progress of East Asia regional cooperation in the recent years:

The ASEAN+3 process. In a web of regional and international cooperation schemes the ASEAN+3 is the most significant venue for regional cooperation in East Asia today. The process consists of a series of structural ar-

rangements of cooperation, including the Summit Meeting of leaders from all the member states, the Individual Meeting between China, Japan and the ROK on the one hand and ASEAN on the other (ASEAN+3), and Informal Meeting among China, Japan and the ROK. The ASEAN+3 process has now spread to become a formula for cooperation in various areas. According to the ASEAN Secretariat, there are now 48 ASEAN + 3 Forums, ranging from the leadership summits down to the expert-groups level covering many subjects of common interests or common concerns. Although the discussions or decisions out of the process are informal in nature and do not exert the binding power upon the member states, they, combined, constitute a working framework for the regional cooperation. In this framework, the summit meetings are of particular importance as the participating leaders of various countries represent the most authoritative voice; decisions made always provide the most important motivating force as well as guiding principles for the regional cooperation in East Asia:

The first Summit of ASEAN and China, Japan and the ROK was convened in Kuala Lumpur, Malaysia on December 15, 1997, attended by leaders from 9 ASEAN nations (until then Cambodia hadn't entered into ASEAN, so there was only nine nations belonging to ASEAN) and China, Japan, and the ROK. After Cambodia became a full member of the ASEAN in 1999, the ASEAN+3 process took the complete shape. Since 1997, such an ASEAN+3 Summit meeting was held annually, and so far, the ASEAN +3 has held 9 summit meetings by the end of 2005.

1. The first ASEAN+3 Summit discussed questions of global relationship, especially the Asian-European relationship and the coordination and cooperation of international economy. The meeting concentrated on envisaging the prospects of East Asia oriented towards the 21st century, deepening the economic links in East Asia and maintaining the stable economic cooperation in the region.

2. The second ASEAN+3 Summit which was held in Hanoi, Vietnam in 1998, reviewed the political and economic situation in East Asia in the past year, stating that the cooperation in various areas would be further expanded so as to surmount the plight caused by the Asian financial crisis. During the meeting, it was agreed that leaders of ASEAN, China, Japan and the ROK would meet regularly every year. Another important outcome was a decision to set up the East Asia Vision Group (EAVG), an initiative proposed by President Kim Dae Jung of the ROK, and designed to bring together experts from Track-2 to discuss the future cooperation in East Asia and to submit recommendations to the fifth ASEAN+3 Summit in Brunei's Darussalam in 2001.

3. The third ASEAN+3 Summit was held in Manila, Philippines in 1999. The meeting ended up with delivering the Joint Statement of East Asia Cooperation, spelling out what the participating leaders hoped to achieve together in East Asia. They stressed the bright prospects for enhanced interaction and closer linkages in East Asia and recognized the fact that this growing interaction had helped increase opportunities for cooperation and collaboration with each other, thereby strengthening

the elements essential for the promotion of peace, stability and prosperity in the region. Mindful of the challenges and opportunities in the new millennium, as well as the growing regional interdependence in the age of globalization and information, the participating leaders agreed to promote dialogue and to deepen and consolidate collective efforts with a view to advancing mutual understanding, trust, good neighborliness and friendly relations, peace, stability and prosperity. To that end, the pivot of the East Asia cooperation was agreed to be placed in economic, financial and scientific and technological areas. Specific joint measures were considered during the meeting. For example, they decided to strengthen the coordination and cooperation in the financial area in the East Asia through various dialogue mechanisms, including the "10+3" dialogue mechanism among the financial and central bank leaders suggested by China. The meeting also discussed whether the Asian Monetary Fund should be founded. In the meantime, the participants also attached importance to the political cooperation in strengthening domestic stability as well as solving disputes among the member states through peaceful means.

4. The Fourth ASEAN+3 Summit was held in Singapore in November 2000. Taking advantage of the Joint Statement of East Asia Cooperation adopted in the previous year, the year of 2000 saw East Asian nations take momentous steps to expand economic and political cooperation. The first financial ministers' meeting, the first economic ministers' meeting and the first foreign ministers' meeting were convened respectively. Based on the new

progress, the Summit in 2000 adopted the "Initiative for ASEAN Integration (IAI)", and signed the Framework Agreement on "E-ASEAN". This agreement outlines the basic framework for the realization of free trade, service and investment in the area of information communications among the ASEAN nations, thus becoming a milestone in the course of the ASEAN's economic development. The fourth Summit also decided to establish an official East Asia Study Group (EASG), proposed again by President Kim Dae Jung of the ROK. The EASG would explore practical ways and means to deepen and expand the existing cooperation among the parties concerned and prepare concrete measures and, as necessary, action plans for closer cooperation in various areas. It was also tasked to assess the recommendations of the EAVG, and submit its report and recommendations to the sixth ASEAN+3 Summit, to be held in Phnom Penh in November 2002.

5. The Fifth ASEAN+3 Summit was held in Brunei in November 2001. The major topic of the meeting was the final report submitted by the EAVG as a result of its three-year hard work. The EAVG Report, entitled "Towards an East Asian Community: Region of Peace, Prosperity and Progress" emphasized the formation of an East Asian community as the eventual goal of the East Asia regional cooperation. To that end, the report put forth altogether 57 recommendations, covering economic, financial, political and security, environmental, social and cultural aspects as well as institutional 5 main areas. But according to Kim Dae Jung, the real immediate thrust falls on three major tasks: 1) Evolu-

tion of the ASEAN+3 Summit to an East Asian Summit, together with institutionalization of the East Asia cooperation process to create regular channels of communications and cooperation; 2) Establishment of an East Asia Forum consisting of government representatives and others from outside the government to serve as an institutional mechanism for social exchanges and regional cooperation in East Asia; and 3) Establishment of an East Asian Free Trade Area (EAFTA), starting with an interim step of linking existing free trade areas in East Asia together.

6. The sixth ASEAN+3 Summit was held in Phnom Penh, Cambodia in October 2002. Completing its mandate to study the EAVG recommendations, the EASG submitted its own final report to the meeting. The EASG recommended for consideration a total of 26 measures (17 of them short-term measures, while the rest are medium-term and long-term measures) selected from the EAVG recommendations. The short-term measures that are relatively easier to implement include the formation of an East Asia Forum, an East Asia Business Council and a network of East Asian eminent intellectuals, and the promotion of East Asian studies. The long-term measures include the formation of an East Asia Free Trade Area and the evolution of the ASEAN+3 Summit into an East Asian Summit. Regarding the East Asian Summit, the report stressed that it "is a desirable long-term objective, but it must be part of an evolutionary process that builds on the substantive comfort levels of the existing ASEAN+3 framework". Further, the study group recommended that there should be

"clarity of objectives and issues which the East Asia Summit should pursue", and that the "ASEAN+3 framework should remain the vehicle in the East Asia process of integration". The EASG also recommended the "institutionalization of regional dialogues, including regular meetings of foreign ministers and leaders of other sectors on the range of political and security-related subjects" as a means to further strengthen this cooperation. Leaders attending the meeting endorsed in principle all the ideas aimed at promoting the East Asia cooperation among the countries concerned.

7. The seventh ASEAN+3 Summit was convened in Bali, Indonesia in October 2003. The leaders discussed the direction of the future development of ASEAN+3 and explored ways to enhance the cooperation among their countries in various fields in a friendly and frank atmosphere.

8. The eighth ASEAN+3 Summit was held in Vientiane, Laos in November 2004. With a theme of "strengthening ASEAN+3 cooperation", the meeting exchanged views on regional and international political and security, and economic issues. Leaders also discussed ways and mechanisms to strengthen the ASEAN+3 cooperation and its future direction. The meeting wound up with two important agreements: 1) reaffirming that the establishment of an East Asian Community is a long-term objective of East Asian cooperation; and 2) the first East Asian Summit (EAS) will be held in Malaysia in 2005; the participating leaders also tasked the Ministers of Foreign Affairs of ASEAN to further study the idea of such an EAS, including the projected modalities and selection of participants. The

second decision clearly showed a change of mind of the leaders, that is to turn what was once thought a medium or long term goal of convening an East Asia Summit into the immediate task within one-year compressed timeframe. The decisions were generally believed to be the demonstration of the East Asian leaders' determination to speed up cooperation in the region.

9. The ninth ASEAN+3 Summit was held in Kuala Lumpur, Malaysia in December 2005. The participating leaders discussed the current situation of ASEAN+3 cooperation and its future direction. They issued the Kuala Lumpur Declaration", which incorporated among other things that (1) the ASEAN+3 cooperation will continue to be the "main vehicle" for the building of an EAC, and (2) the participating countries will commence efforts to prepare a second Joint Statement on East Asia Cooperation to be adopted in 2007. The latter is aimed at marking the tenth anniversary of the establishment of this framework. The event could be deemed as a new progress in promoting regional cooperation with a view to building an East Asia Community in the years to come through the maintenance and enhancement of the momentum of the ASEAN+3 cooperation. The meeting also decided to adopt effective countermeasures against avian influenza, which became a pressing issue for the entire region.

It merits attention that based on the decisions made during the respective ASEAN +3 Summits, a series of ministerial meeting among the 13 participating countries were held at a more or less institutionalized basis. These meetings were held each year, accom-

panying the summit meetings, and were tasked to prepare the ground for the Summits, and to implement the joint decisions of the top leaders. This important executive mechanism started in 1999, when the Joint Statement of East Asia Cooperation at the third ASEAN+3 Summit decided to establish the ASEAN+3 Foreign Ministers Meeting to review the progress of the implementation of the Joint Statement. Since then ASEAN+3 ministerial meetings on finance, economic/trade, labor, agriculture and forestry, and tourism have also been convened and regularized one after another. One relatively new addition at this level was the ASEAN+3 Directors-General Meeting, which was formally established in an inaugural meeting in Seoul on August 30, 2002. This newest ASEAN+3 body has a direct responsibility in exploring all relevant issues concerning the future direction of East Asia cooperation. Each of these ministerial meetings is served by a lower layer of senior officials meetings (SOM).

In the framework of the ASEAN+3 process, there were also other activities on the ad hoc basis, which constitute additional part of East Asia regional cooperation. Japan, for example, convened in Osaka on 22 September 2002 a working luncheon meeting among the ASEAN + 3 Energy Ministers on the fringes of the 8th International Energy Forum held in Osaka from 21 to 23 September 2002. ASEAN+3 Ministers of the Environment convened their first meeting in Vientiane in November 2002. ASEAN Ministers on Transnational Crime convened the first ASEAN+3 ministerial meeting on Transnational Crime with China, Japan and the ROK in Thailand in October 2003.

In summary, convening of the informal ASEAN+3 Summits has thus been the significant pioneering move in East Asia history. They have opened a new chapter for East Asia cooperation, reflecting the common aspiration for promoting regional peace and development on the part of all the Asian countries, and are of far-reaching significance to the future development of all East Asian countries. Despite the focus on economic cooperation, the informal summits have also growing interest to promote the political and security cooperation. In light of the prevailing situation, it can be envisaged that the ASEAN+3 Summits will continue to be the major mechanism for the East Asian countries to discuss political, economic, security and social issues.

The ASEAN+1 process

During each of the annual ASEAN+3 summit meetings, leaders from China, Japan and the ROK met their counterparts from ASEAN respectively to discuss the mutual cooperation, thus forming three sets of "ASEAN+1" frameworks-called ASEAN+1 process. Constituting an important part of the ASEAN+3 process, the ASEAN+1 formula has, however, its own agenda, and supplements the regional cooperation between ASEAN on the one hand and each of the three major countries in North-east on the other in a great way. If there is any difference between the two processes, the "ASEAN+3" mechanism seems to lay great stress on the strategic coordination, while "ASEAN+1" attaches more importance to the long-term cooperation in the practical areas. To put it another way, the latter seems to render the cooperation in East Asia more realistic and effective. So far, the "ASEAN+1"

meetings have identified five priority cooperation areas including agriculture, information communication, human resources development, mutual investment and the development of the Mekong region. In addition to the bilateral summit meetings, there are also four matching ministerial meetings, and still some new meetings at ministers' level to be held.

Japan has the longest history in its relations with ASEAN as a grouping. Tokyo started its dialogue with ASEAN in 1973. In 1977, when Japanese Prime Minister Takeo Fukuda visited Southeast Asia and met with ASEAN leaders at the second ASEAN Summit in Kuala Lumpur, he reassured that Japan would expand its ties with the ASEAN countries, and give top priority to supporting their national development under the so-called Fukuda Doctrine. The ROK is the second Dialogue Partner with ASEAN from Northeast Asia. ASEAN and the ROK first established their Sectoral Dialogue relations in November 1989. The ASEAN-ROK cooperation was at first confined to the areas of trade, investment and tourism. Cooperation with the ROK was upgraded to full Dialogue Partnership at the 24th ASEAN ministerial meeting (AMM) in Kuala Lumpur in July 1991. China started its relations with ASEAN at the 24th AMM in 1991, when the Foreign Minister of China was invited as Guest of the Host (Malaysia) to attend the opening ceremony and, more importantly, to meet with ASEAN Foreign Ministers in an informal consultation session. They quickly found mutual interest in their subsequent contacts and consultations. China became a full Dialogue Partner at the 29th AMM in Jakarta in 1996.

Despite all these preliminary contacts, the ASEAN+1 process truly started only in the framework of the ASEAN+3 process, which saw its first summit meeting in 1997. Following the ASEAN+3 summit that year, leaders from China, Japan and the ROK met respectively with ASEAN leaders for the first time. Both the ASEAN+3 and ASEAN+1 practices have taken place one after another on a regular basis each year ever since.

Compared with the ASEAN+3 process, the ASEAN+1 cooperation has achieved more physical results. This is particularly true in the case of China. During their first informal Summit in 1997, China and the ASEAN succeeded in signing a Joint Statement, finalizing the principles of dealing with their bilateral relations, and pledging to enhance the dialogue and cooperation mechanisms, agreeing to strengthen cooperation among various regions and international organizations, and establishing the partnership relations of good-neighborliness and mutual trust between the two sides oriented toward the 21st century. All these agreements have set a good stage for the smooth development of the bilateral relationship. Besides the informal summits, China and ASEAN have also created many other mechanisms, including the Annual Meeting of Foreign Ministers, Senior Economic Officials Meeting (SEOM), China-ASEAN Free Trade Negotiation Committee, China-ASEAN Business Consultations Meeting and so on. Thanks to the concerted efforts from both sides based on the interaction of all these mechanisms, China has been able to achieve closer bilateral cooperation and strengthen friendship and harmony with the ASEAN as a grouping. Remarkable

progress has been recorded particularly in the following areas:

1. Jointly overcoming the financial crisis. Since many East Asian countries were stranded in the financial crisis which started in 1997, China offered practical and effective measures to strengthen economic and financial cooperation in order to help with the economic recovery of all the ASEAN nations.

2. Setting up the long-term objective of the cooperation. China and ASEAN countries have signed the Joint Declaration on the Strategic Partnership Relationship Oriented towards Peace and Prosperity. It is the first time that China has set up a strategic partnership relationship with a regional organization. Beijing is also the first strategic partner with ASEAN. What's more, China is the first big nation having acceded into the Treaty of Amity and Cooperation in Southeast Asia (TAC).

3. Defining priority cooperative areas. Through a few years' consultation, China was able to start the three major actions with regard to its cooperation with the ASEAN in the ASEAN+1 framework at the 6th China-ASEAN informal Summit in 2002. The first was to start the process to set up a China-ASEAN Free Trade Zone within 10 years' timeframe; the second was to start the full-pledged cooperation between China and ASEAN on Mekong sub-regional development; the third was to start the cooperation between China and ASEAN on non-traditional security issues.

4. Agreeing to solve disputes through peaceful means. China and ASEAN have signed the

Ultimate Agreement on Declaration on the Code of Conduct of Parties in the South China Sea, a clear signal to the outside that all the nations in this region have reached a consensus to put aside mutual differences through dialogues and safeguard peace and stability of the South China Sea through cooperation.

5. Helping the most underdeveloped countries in the region. In order to promote the common development of East Asian countries, China has made a declaration of carrying out a "Debt Reduction Program for Asia" by which Vietnam, Laos, Cambodia, and Myanmar and other two countries are partially or fully exempt from the due debts. In addition, China has offered non-tariff treatment to most products exported to China from Laos, Cambodia and Myanmar since the year 2004. China has also contributed 30 million USD to the construction of parts of the Kunming-Bangkok highway in the Laos People's Democratic Republic.

6. Jointly combating SARS. On April 29, 2003, the leaders from China and ASEAN convened the Special Conference on SARS in Bangkok, whereby a Special Conference Joint Declaration was delivered calling for the concerted efforts to combat the SARS through mutual exchange and cooperation. It is the first time that the leaders from East Asian countries have gathered for a Summit Conference addressing a special issue.

7. Strengthening agricultural and other industrial cooperation. China's Agricultural Ministry and ASEAN Secretariat have signed the Memorandum of Understanding on Agricultural

Cooperation, in which both sides agreed on the short and long-term cooperation in agricultural areas, thus taking the first step in China-ASEAN priority cooperation programs. China has accessed into the Framework Agreement for the Facilitation of Cross-border Movement of Goods and signed the People and Intergovernmental Agreement on Power Interconnection and Trade.

The ASEAN+1 respective cooperation between Japan, the ROK, and the ASEAN is also productive. Held annually, these two sets of "ASEAN+1" meetings promote their mutual exchange and communication. Japan has succeeded in strengthening its economic as well as political relations with the ASEAN through the channel of ASEAN+1 process. In December 2003, a Japan-ASEAN Special Summit Meeting was held in Tokyo, at which the Tokyo Declaration and Action Plans aiming to strengthen the economic, political and security relations between Japan and ASEAN were delivered, with the stress on the establishment of a community based on Asian traditions and values. The Tokyo Declaration and its Plan of Action, outlining more than 100 measures, reflected the dynamism of the relationship and the commitment of both sides to develop an enduring and comprehensive mutual partnership in the 21st century. In addition, the development of "East Asian Community" was defined formally at the meeting, as the goal of regional cooperation in East Asia. It is the first time that leaders from East Asian countries have put forward

the concept of "East Asian Community" on multilateral occasions.

In the meantime, Japan is also taking steps to promote the economic cooperation with South-east Asian countries. Among many other things, striving to conclude the East Asia Free Trade Area (FTA) is thought a major cooperative step as recommended by the East Asia Study Group. Japan has already signed the Free Trade Agreement with Singapore and has been holding negotiations with the ROK and Philippines. But given present difficulties from both sides to reach that goal at the universal level, Japan and ASEAN countries agreed to speed up negotiations on reaching economic partnership agreements (EPAs) as interim measure for the eventual realization of the ASEAN-Japan comprehensive Economic Partnership (CEP), including the ASEAN-Japan FTA by 2012.³

For the ASEAN-ROK relations, a Joint Declaration was issued at the ASEAN-ROK Summit in Vientiane in November 2004, which provided a blueprint for moving forward ASEAN-ROK relations in a more comprehensive and substantive manner. At the 4th ASEAN Informal Summit held in Singapore in 2000, ASEAN and the ROK identified areas of information technology, human resource development, cultural exchanges, medical assistance and Mekong Basin development cooperation as priority areas for cooperation. Since then, ASEAN-ROK development cooperation has been expanded to cover the areas of trade,

3 See S. Pushpanathan, "Scaling New Heights in ASEAN-Japan Ties", December 2003, Jakarta, <http://www.aseansec.org/15511.html>.

investment, tourism, science and technology, and environment. Cooperation in the areas of human resource development, people-to-people exchange and bridging the development gaps has been given due attention.

The two sides pay special attention to their economic and trade relations. In order to enhance the ASEAN-ROK economic cooperation, leaders of ASEAN and the ROK expressed commitment to develop a comprehensive partnership at the ASEAN-ROK Summit in Bali, Indonesia on October 8, 2003. They tasked their ministers to discuss the possibility of establishing a Free Trade Area. Subsequently, an ASEAN-Korea Experts Group (AKEG) was established to draw up the Joint Study Report on the feasibility of an ASEAN-ROK FTA. Recommendations by the Joint Study were considered by the ASEAN-ROK Summit in Vientiane. One of the key recommendations was to realize the ASEAN-ROK FTA between the ASEAN-6 countries and the ROK by 2009 with due consideration for special and differential treatment for the developing countries of ASEAN and still more additional flexibility for the newer ASEAN Member Countries, namely Cambodia, Laos, Myanmar and Vietnam (CLMV). The CLMV countries would be given an additional five years to realize the FTA. In the political and security field, cooperation between ASEAN and the ROK centered on the coordination between the two sides by regular dialogue and exchange of views on regional and international issues, including combating terrorism, transnational crimes, and proliferation of WMD. ASEAN explicitly expressed its support to the peace process on the Korean Peninsula.

Cooperation among China, Japan and the ROK in Northeast Asia

Until quite recently, a strange phenomenon in the international arena was the fact that among countries with impressive economic power, only China, Japan and the ROK were not got involved in any regional trade arrangements as a grouping in their own region. Despite the dynamics of the regional cooperation and integration elsewhere in the world, Northeast Asia saw a virtual isolation from this trend. This situation has been changing with the progress of the ASEAN+3 process.

At the third ASEAN+3 Summit in Manila in 1999, an event of historic significance took place. Prime Minister Zhu Rongji of China, Prime Minister Keizo Obuchi of Japan, and President Kim Dae Jung from the ROK had an informal breakfast meeting at Manila Hotel in November 1999. This was the first meeting among the heads of government of these three countries in modern times. The three leaders from Northeast Asia expressed their common desire to work with ASEAN in the development of East Asia cooperation that brought them together.

At the fourth ASEAN+3 Summit in Singapore in November 2000, leaders of China, Japan and the ROK held their second informal breakfast meeting. They agreed, among other things, to regularize their working breakfast meeting to improve coordination in cooperation with ASEAN under the ASEAN+3 framework. They also established a +3 coordination group to work closely with the ASEAN Working Group on e-ASEAN and ICT cooperation. Other important mechanisms which were established later on for the fur-

ther cooperation among the three major Northeast Asian countries included trilateral economic (trade and finance) ministers talks as well as three-way foreign ministers talks, talks at working-level in order to institutionalize cooperation in Northeast Asia, and an annual business forum of the three countries' businessmen. In all, six Ministerial Meeting Mechanisms have been set up.

All the three countries showed considerable enthusiasm in catalyzing the regional cooperation among them. At the "ASEAN+1" Meeting in November 2002, in order to promote cooperation between China, Japan and the ROK, China proposed that economic trade, information industry, environmental protection, human resources development and cultural exchange be identified as the priority cooperation areas for the three countries. China also hoped that the three parties should have medium and long-term cooperation on large-scale projects such as bringing the sandstorms under control. These proposals were highly appreciated by Japan and the ROK. In October 2003, the three countries signed the "Joint Declaration on the Promotion of Tripartite Cooperation among China, Japan and the ROK". This was the first document concerning the cooperation among the three parties, which defined the framework, principle and future way of the cooperation on the part of three countries. The ROK Vice-Premier proposed in a specific plan that the three countries sign a Free Trade Agreement (FTA). The successful establishment of a Free Trade Zone among China, Japan and the ROK would thoroughly change the underdeveloped condition of the East Asian regional cooperation. In the framework of the

ministerial conference of Asian Cooperation Dialogue (ACD) in 2004, the China-Japan-the ROK Tripartite Committee held its first meeting, in which the three ministers reviewed the developments of tripartite cooperation, discussed the orientation of the future development, and decided to jointly formulate "the Action Strategy for the Tripartite Cooperation".

Given the political influence and economic weight of the three countries, the progress of cooperation among China, Japan and the ROK have constituted another essential building block for the East Asia regional cooperation. On the other hand, political mistrust proves the continuing major obstacle to the cooperation among the three countries. Different opinions with regard to the persistence of paying homage to the Yasukuni Shrine by Japanese Prime Minister Junichiro Koizumi led to the cancellation of the regular meeting in 2005 - a setback that should not have happened.

Sub-regional cooperation

Sub-regional cooperation in East Asia has become part and parcel of the East Asia regional cooperation. Among many such sub-regional cooperative schemes, cooperation in two sub-regions occupy particularly important place, namely the Mekong Sub-regional cooperation in Southeast Asia, and the Tumen River Area Development Program in Northeast Asia, each involving an elaborate network of various cooperative projects.

1. Mekong Sub-regional Cooperation

"Lancang-Mekong Region" refers to the entire

area of the Lancang-Mekong River, including its tributaries running through. The river starts from China and is the only "international" river in Asia, running through six countries. When the river is in the territory of China, it is called Lancang River, which begins in the northeastern side of Tanggula Mountains in Qinhai province, flowing through Tibet into Yunnan province. When it flows out of China's boundary, the river is called Mekong River, which runs all the way through Myanmar, Laos, Thailand, Cambodia, and Vietnam, emptying into the South China Sea. The Lancang-Mekong sub-region is a special area defined by the Asian Development Bank (ADB), covering the above said six countries. The sub-region has a total area of 2.33 million sq. km, with a population of 246 million in 2000. The sub-region acts as a land bridge connecting China and the countries in Southeast Asia as well as South Asia. The region is known to have rich resources, and is itself an extensive market.

Countries in the region started the intra-sub-regional cooperation as early as 1957. Today, numerous cooperative projects have been in place, making the region one of the focuses for the East Asia regional cooperation. On the whole, however, three major cooperative mechanisms are of special importance:

The first is the Mekong River Commission (MRC), which was initiated in 1957 by the four native countries in the Mekong River area, that is Thailand, Laos, Vietnam and Cambodia. They set up the Mekong Committee, with an initial aim to coordinate work of the river resources investigation in each of the countries. With the development of the situation, these four coun-

tries decided to change the Committee into the Mekong River Commission (MRC) in 1995, expanding its mandate including carrying out cooperation in all the matters involving development and management. The work of MRC remains one of the major mechanisms in the development of the Mekong sub-regional cooperation today, with a wide-range of cross-boundary cooperative areas including water resource management, river transportation, flood control, fishery, agriculture, electricity generation, environmental protection, etc among the participating countries.

Another important cooperative project with wider participation is the ASEAN-Mekong Basin Development Cooperation (AMBDC), initiated in the ASEAN framework in 1996. The participating countries first included ASEAN member countries and non-ASEAN coastal countries such as China. This Cooperation Mechanism identifies 8 priority cooperation areas such as infrastructure construction, trade and investment, agriculture, processing and mineral resources development, the development of medium- and small-sized enterprises, tourism, human resources development, and science and technology. Affected by the Asian financial crisis, the project was once interrupted in 1997-1999. But it soon resumed its ministerial meeting after the financial crisis was over in 2000. In the same year, Japan and the ROK were agreed to the accession to the project as new member countries, thus changing the project into one of the mechanisms of cooperation between ASEAN and the three Northeast Asian countries of China, Japan and the ROK.

The third project, which has so far achieved

more tangible results and carried more impact on the regional cooperation is the Great Mekong Sub-region Cooperation (GMS) Project, initiated by the ADB in 1992. The project includes the six countries, namely, China, Myanmar, Laos, Thailand, Cambodia, and Vietnam, as member countries. In November 2002, they convened in Phnom Penh for their first GMS Economic Cooperation Summit, with the theme being "to achieve the vision of growth, equity, and prosperity for the Greater Mekong Sub-region through cooperation." It is hoped that with the help of loans and technical assistance, the poverty of the countries in this region will be eradicated, people's living standards improved, and the economic and social development promoted as regional cooperation fully unfolds.

Since 1992, the GMS member countries have carried out the Ministers' Meeting Mechanism for Economic Cooperation, with the participants from the six countries in the Mekong River Region. Until now, 11 meetings have been held. The meetings have identified 11 flagship programs including North-South, East-West and South Economic Corridors, transportation, energy, trade investment, human resources development, environmental protection, telecommunications, agriculture, and tourism in the Mekong River. In addition, Mekong Sub-regional Cooperation, and GMS Economic Cooperation initiated by the ADB in the 1990s in particular, have attracted strong interest from other members of the international community. Developed countries including Japan, European states, and the US began to get involved in the regional cooperation in succession in different manner, thus forming a

good variety of cooperation mechanisms.

2. Tumen River Area Development Program

Originating in Changbai Mountain, Tumen River is 505.4 kilometers long. Its 490.4-kilometer upper and middle reaches are the boundary river between China and the DPRK, while its 15-kilometer lower reaches is the boundary river between Russia and the DPRK. The Tumen River area is thus the contiguous area of the three countries of China, Russia and the DPRK. It is also the only direct thoroughfare to the Sea of Japan over land. The Tumen River Area Development Program was first raised by Chinese experts and scholars as an academic topic in the 1990s. Several international academic conferences were held, at which for the first time Chinese experts advocated the idea of developing a regional golden triangle by exploiting Northeast Asia's geographical advantages and the suggested international academic research. Henceforth, the development of Tumen River area began to receive attention from the international community.

In 1991, the United Nations Development Program (UNDP) formally presented the "Tumen River Area Development Program" (TRADP) and placed it in the list of key projects of promoting cooperation between Northeast Asian countries. In October 1991, the UNDP convened a conference on TRADP in Pyongyang. At this conference, Northeast Asian countries reached a basic consensus on this cooperative development program. Under this premise, the Program Management Committee of TRADP was established. In February 1992, the UNDP convened the first

PMC meeting, to which China, the DPRK, the ROK and Mongolia sent their representatives. Russia and Japan attended the meeting as observers. Subsequently, the UNDP formulated and promulgated "Tumen River Area Economic Development Strategies"; planning to attract an investment of US \$30 billion in 20 years and build the Tumen River Delta into "Hong Kong, Rotterdam and Singapore of Northeast Asia". According to the specifications made by the international experts in 1994, the Tumen River Area covers an area of almost 70,000 square kilometers, including 42,700 square kilometers of China, 15,000 square kilometers of the DPRK and 10,000 square kilometers of Russia.

By the end of 1995, the UNDP had organized six PMC meetings and other workshops of experts for many times, and also had carried out many planning and research programs. In December 1995, at the sixth PMC meeting, China, Russia and DPRK signed "Agreements on the Establishment of the Coordination Committee for Tumen River Area Development". The aforementioned three countries plus Mongolia and the ROK also signed the "Memorandum of Understanding on Environmental Problems Relating to the Tumen River Economic Development Area and Northeast Asia" and "Agreements on the Establishment of the Consultative Commission for the Development of the Tumen River Economic Development Area and Northeast Asia". The three documents,

which stand for a change in cooperation progress from research to actual development, were regarded as a milestone in the international cooperation progress. In light with the requests of the agreements, China, Russia, the DPRK, Mongolia and the ROK established the Consultative Commission for the Development of the Tumen River Economic Development Area and Northeast Asia. The organization was held responsible for cooperation between the five countries for the sustainable development of the project. The three countries along the Tumen River - China, Russia and the DPRK - also created the Coordination Committee for Tumen River Area Development, which mainly dealt with the economic development affairs, especially the promotion of trade and investment in Tumen River Area. The UNDP also has its secretariat on the Tumen project in Beijing. Thanks to the operations of all these mechanisms, this great cross-century project has started its operation, and the regional economic cooperation in the sub-region entered into a phase of substantive development.⁴

East Asia Summit

The development of the ASEAN+3 process and other mechanisms in the regional cooperation in East Asia as listed above has led to the exploration of a more ambitious goal of upgrading the so far loose cooperation structure of the ASEAN+3 into a more systematic cooperative structure in East Asia and establishing

4 The Introduction to the progress in the development of ASEAN+3 and ASEAN+1, cooperation among China, Japan and the ROK, and the sub-regional cooperation in East Asia are mostly based on the background briefings from the Website of the Network of East Asia Think-Tank (NEAT). The author wishes to express his sincere thanks to the NEAT for kindly providing the useful reference material. See http://www.neat.org.cn/neatweb_en/hzjz/index.php?topic_id=001004003.

an identity as a regional community. Hence the efforts to create a more institutionalized, region-wide cooperative mechanism were getting momentum.

The idea first found expression in the former Malaysian Prime Minister Mahathir's suggestion of creating an East Asia Economic Group (EAEG) in 1990. His initiative view was that countries in East Asia in a strict geographical sense (Southeast Asia + Northeast Asia) should do more in consultation and cooperation to show their solidarity in the interaction with the outside regions, and also help lesser-developed economies such as Cambodia, Laos and Vietnam overcome difficulties in reform and reconstruction. The thinking then was that the EAEG would comprise the six ASEAN Member Countries, Japan, the ROK, China, Hong Kong, Taiwan and Vietnam. Renamed as the East Asia Economic Caucus (EAEC), the idea was endorsed at the second ASEAN summit in 1992.

The concept of EAEC was, however, received with either strong opposition or cold response from other major players in East Asia. The United States in particular was vehemently against it. "The US considered the EAEC as both a threat to APEC and to the US presence in the Asia-Pacific region, arguing that by including some and excluding others in APEC, the EAEC could weaken APEC or complicate its deliberations. Moreover, said the US in a demarche to the Secretary-General of ASEAN in 1993, the US would be concerned about anything that raises questions about United

States commitment to the region and exclusion from the region.⁷⁵ Under the heavy pressure of Washington, Japan and the ROK, the two allies of the US, were forced to take a fuzzy stand. China was also ambivalent. Viewing the EAEC could be conducive to promoting regional cooperation in East Asia as well as strengthening its ties with the ASEAN countries, Beijing was not happy, however, that Taiwan and Hong Kong were to be included. Against the backdrop, the EAEC were quietly shelved.

Another reason that the EAEC was put at rest was that the East Asian countries were soon starting the ASEAN+3 process that partly played the role that the EAEC was expected to play. But then, with the development of the situation, many East Asian countries continued to harbor a wish to promote the eventual regional integration in East Asia. The idea of evolving the ASEAN+3 Summit to an East Asian Summit, a process of institutionalizing the East Asia cooperation were once again raised in the recommendations in both the EAVG and EASG studies. In this regard, the ROK apparently played a significant role as the two study groups were proposed by the then ROK President Kim Dae Jung, and the subsequent work was led by his Foreign Minister Han Sung Joo, now a professor at Korea University.

But agreeing in principle by the East Asian countries did not suggest a smooth sailing in implementation. Behind the idea of the EAS, suspicions and misgivings abounded among

5 Termsak Chalermpanupap, "Towards an East Asia Community-the Journey Has Begun", October 17, 2002. <http://www.aseansec.org/13203.html>.

the member countries. Some ASEAN countries had strong reservations, for example about the format of the EAS as distinguished from that of the ASEAN+3 process. The EAS would be supposed to be attended by countries in their own capacities, which meant that ASEAN would find no place as a grouping and would lose the leadership in consequence. The ASEAN reservation reflected its further concern that development of the community building may affect the cohesion within ASEAN itself and even threaten the survival of the organization owing to its relative economic weakness compared to the major powers in the region. This concern of the ASEAN countries was quickly addressed with an eventual compromise that the future EAS would continue to use the ASEAN format, that is, to continue to acknowledge the leadership role of ASEAN. The chair of the EAS would be rotated within ASEAN member countries and remain the highest decision-making body of the mechanism as operated in the ASEAN+3 process.

Japan, on its part, insisted that EAS should consider expanding the membership by including Australia, New Zealand and India, evidently to outbalance China's increasing influence in the Asia Pacific. The suggestion immediately received positive response from the three suggested invitees who had long ago expressed interest in getting more involved into the East Asia regional cooperation. It was also warmly supported by the United States quite understandably. But the idea was initially opposed by Malaysia as the then Prime Minister Mahathir contended that since these three countries were non-East Asian countries, their participation in the EAS might

change the nature and meaning of the East Asia community building. After intense consultation among the East Asian countries, however, the suggestion to include the non-East Asian countries were accepted on the ground that with the three countries' participation in the EAS, the East Asia community building might demonstrate greater openness and resilience, and increase its potentials in a huge way. The view, however, has never been unanimously agreed.

With the primary differences ironed out, and consensus reached on the modality and format of the meeting, preparation for the EAS was stepped up. On 14 December 2005 in Kuala Lumpur, Malaysia, the first East Asia Summit was formally convened with the participation of heads of State/government of 16 countries, namely the 10 ASEAN nations, Australia, China, India, Japan, the ROK and New Zealand. The meeting ended up with the Kuala Lumpur Declaration, outlining the principles and purposes, areas of cooperation and primary modalities of the EAS, and another Declaration on Avian Influenza Prevention, Control and Response after lengthy exchange of views on regional and international political and economic issues as well as on the challenges facing the region and the world. The participating countries pledged strengthening cooperation in supporting the denuclearization in the Korean Peninsula in a peaceful and verifiable manner; combating the international terrorism, ensuring maritime security, and addressing the threat of infectious diseases.

Leaders at the summit devoted much of their

time to the economic cooperation in the region, which included, among other things, promoting development, financial stability, energy security, economic integration and growth, eradicating poverty and narrowing the development gap in East Asia through technology transfer and infrastructure development, capacity building, good governance and humanitarian assistance and promoting financial links, trade and investment expansion and liberalization, etc.

Extensive and in-depth discussions were also conducted on the community building being undertaken in the East Asian region, and the role of the EAS to that end. Agreements were reached in this regard, including:

1. The EAS is a forum for dialogue on broad strategic, political and economic issues of common interest and concerns with the aim of promoting peace, stability and economic prosperity in East Asia.

2. The efforts of the EAS to promote community building in this region will be consistent with and reinforce the realization of the ASEAN Community, and will form an integral part of the evolving regional architecture together with other existing cooperative mechanisms like the ASEAN+3 process. The East Asia Summit will be hosted and chaired by an ASEAN Member Country that assumes the ASEAN Chairmanship and held back-to-back with the annual ASEAN Summit.

3. The EAS will be an open, inclusive, transparent and outward-looking forum in which member countries strive to strengthen global norms and universally recognized values with ASEAN as the driving force working in partnership with other participants of the East Asia Summit. It is in this spirit, the meeting promised to positively consider future participation of Russia and other non-East Asian countries in the future EAS, based on the criteria established by ASEAN.

4. The EAS would continue to be a leaders-led Summit for strategic discussions on key issues affecting the region and the evolving regional architecture. It will persist in its informal, retreat style format that enabled the discussions carried out in a frank, spontaneous and free-flowing manner.

5. The EAS, like the ASEAN+3 process, will be regularized, and will be convened annually.⁶

Views on the results of EAS were mixed. Most analysts seemed to share the satisfaction expressed by the Malaysian Prime Minister Badawi, then Chair of the Summit, that the EAS was a success. Many analysts argued that the value of the EAS lies more in its political and symbolic implications than offering solutions for any specific issues. More specifically, the EAS may have an impact on the regional cooperation in the following ways: 1) Creating a new mode of regional cooperation in East

6 For more detail of the first EAS, see "Kuala Lumpur Declaration on the East Asia Summit", Kuala Lumpur, Malaysia, December 14, 2005. http://www.neat.org.cn/neatweb_en/zlk/contentshow.php?content_id=66; "Chairman's Statement of the First East Asia Summit", Kuala Lumpur, December 14, 2005, http://www.neat.org.cn/neatweb_en/zlk/contentshow.php?content_id=65.

Asia, based on the common interests of the participating countries. 2) Providing a new venue for the regional cooperation in East Asia, which will be another important building block in the regional architecture. 3) Finding a new way of strengthening North-South cooperation in a deeper sense. With the joining of Australia and New Zealand as new members, the East Asia regional cooperation becomes a mini-version of cooperation between the developed countries and developing countries. The success of the cooperation will have global implications to the North-South cooperation at large.⁷

But others did not agree. Criticism and misgivings on the EAS first can be found within the ASEAN countries. In the view of the opponents, East Asia community was a long-term objective, to reach of which would be a long evolutionary process. "Such a step-by-step and incremental approach to the East Asia Summit was, however, essentially jettisoned" by the decision to hold the first EAS in 2005. This school of view argued that "what was once a medium or long term goal has been given a compressed time frame of just one year. More significantly, perhaps, while previous conventional wisdom was for the ASEAN+3 Summit to transform itself into an East Asia Summit as a reflection of the move towards an East Asia community, today we face the prospect of the ASEAN+3 Summit coexisting with the East Asia Summit."⁸ But of course behind the concerns were always the

worries that the EAS would anyway undermine the leading role of the ASEAN as a grouping in the future.

Criticism on the inclusion of non-East Asian countries into the EAS never disappeared. Acknowledging the benefit of having these new members, it was pointed out that the move seemed at the same time to blur the nature of the East Asia regional cooperation as being based on a geographical basis. According to this view, the EAS was now nothing more than the ASEAN+3+3 process, hardly able to achieve the East Asia community building in its true sense.

Some analysts were also dismayed by the signs of the US negative response and the nasty competition between Japan and China during the EAS meeting. Although absent from the meeting, the US was in fact an invisible major factor that cast a long shadow over the EAS. Despite the fact that it has many allies in the participating countries, Washington nevertheless still feels uneasy about the development of the regional cooperation without its presence and dominance. The attitude of a former high-ranking official from George W. Bush administration is quite telling when he commented on the EAS. "My view is this is a thinly veiled way to make the point that the United States is not totally welcomed in Asia. I think that's a real mistake." He went on to stress that although he believed that a new multilat-

7 Lu Jianren, "Chess Game at the EAS Round Table" in Chinese, *Xin Ming Weekly*, Beijing, December 14, 2005, <http://news.sina.com.cn/w/2005-12-14/14578581728.shtml>.

8 Marty M. Natalegawa, "ASEAN+3 Process Versus the East Asia Summit", *the Jakarta Post*, February 18, 2005.

eral framework would not undermine bilateral security structures the United States had built in the region, "it (EAS) is the direction. What worries me about it (is) if it's the beginning of an erosion." He finally pointed out "it seems that China is quite willing to be involved in forums that don't include the United States."⁹ Other American commentators expressed their anxieties that the EAS may after all be an indication that the US is increasingly estranged from East Asia - one of the areas that bears great strategic importance.¹⁰ On the other hand, Japan's behavior at the summit gave full testimony to its attempt to change the meeting into a battleground for obtaining its dominant position at the expense of China's influence in East Asia, driven by its narrowly defined national interests and the strong Cold War mentality.¹¹

The prospect of East Asia regional cooperation and community building

Why the rapid development of East Asia regional cooperation

The development of the regional cooperation and integration in East Asia is first of all part of the world trend of the development of regionalism at large. To put it another way, develop-

ment of regionalism is an inevitable world response to the impact of the rapid development of economic globalization particularly in the post Cold War era. Such a wave of globalization has generated numerous problems that cannot be dealt with at the national level. Rather, they require an unprecedented degree of international cooperation in seeking the solutions. But "since international cooperation on a 'macro' level is difficult, some intervening level of cooperation, probably on a regional nature may be essential to serve in 'a role intermediary between a nationalism that is too narrow for problems that cross national boundaries, and an internationalism that is too broad, vague and undeveloped to provide more than a supplement to efforts on national and regional levels'"¹². According to this view, regionalism today is emerging as a potent force in the globalization process as one important component of globalization: "It is not only a chapter of globalization, but can also be seen as a response or challenge to globalization."¹³ Against the backdrop, while regional cooperation is developing world-wide like the development of the European Union (EU), the North America Free Trade Area (NAFTA), Pan-America Free Trade Area (PAFTA), and the African Union (AU), Asia sees simply no exception. And it is not strange that regional cooperation was quickly

9 Yoichi Kato, "Armitage Snubs Move for East Asia Community", the Asahi Ahimbun, May 2, 2005, <http://www.asahi.com/english/Herald-ashhi/TKY200505020111.html>.

10 See "The US Out of the EAS, But with Mixed Feelings" in Chinese, Xinming Evening News, December 14, 2005, <http://news.sina.com.cn/w/2005-12-14/14227707582s.shtml>.

11 See "Specialists on the Progress, Implications and Problems of the First EAS" in Chinese, December 14, 2005, <http://news.sina.com.cn/w/2005-12-14/19277708712s.shtml>.

12 Yeo Lay Hwee, "the Nature and Future of East Asian Regionalism", a chapter from "Emerging East Asian Regionalism: Trend and Response", edited by Zhang Yunling, World Affairs Press, Beijing, China, September 2005, p.18.

13 Ibid. p.18.

put on the East Asian countries' agenda.

But in a more pragmatic sense, it is the fast growing common or shared interests among the countries in the region in the area of economy, politics, security and culture that constitute the most important foundation of East Asia regionalism. This is also common sense, and applies to the development of regionalism in all the other parts of the world. In the case of East Asia, the dynamism of the economic development in the region calls for the countries' joint efforts to pool their resources for more rapid and sustained growth. Like other regions of the world, the Asian nations also need to seek a regional approach to addressing problems that they face together. This is particularly so when the Asian financial crisis suddenly erupted in 1997 and dealt a devastating blow to almost all the East Asian countries as if a large scale war had swept many countries in the region. The crisis served many lessons to the East Asian countries, pointing to a painful fact that if East Asia had had a financial cooperative or integrated mechanism like the Euro in Europe, the disastrous impact of the crisis to them would not have been that great. The importance of regional cooperation and integration seemed suddenly to loom larger and more essential.

Last but not the least; China's rapid economic development has become another important factor to catalyze the East Asian regional cooperation. Thanks to its reform and open-

ing-up policy initiated in late 1970s, China has been able to achieve an uninterrupted fast economic growth over the two past decades. Its GDP has increased from 362.4 billion Yuan (about US\$215.3 billion if converted directly from Renminbi into US dollar at the average exchange rate of that year) to 15,987.8 billion Yuan (about US\$1931.7 billion if converted directly from Renminbi into US dollar at the average exchange rate of that year) in 2004, an average growth rate of over 9 percent per annum, calculated according to constant price. The per-capita GDP has risen from less than US\$300 to more than US\$1,400 in the same period. As a result of the economic development, China's overall national strength has risen by a big margin, and the cohesion of the nation has increased remarkably.¹⁴

China's stable and fast growth raised opportunities as well as challenges to the other nations in East Asia in no small way. Both served as catalysts to the East Asia regionalism. As far as opportunities go, China's peaceful development has brought a new driving force to the economic development in the world, the Asia-Pacific in particular. Statistics released by the World Bank show that China's economic growth contributed on average 13 percent to world economic growth from 2000 to 2004. And it is generally believed that not the least owing to China's economic dynamics, the Asia-Pacific economy kept a 6-percent growth between 1999 and 2004. Further, China played a crucial role in helping overcome the financial crisis from

14 For more details, see "China's Peaceful Development Road", White Paper, the Information Office, State Council, China, Beijing, December 22, 2005, http://www.chinadaily.com.cn/english/doc/2005-12/22/content_505678_.html.

1997-2000 by keeping the value of the Renminbi stable while expanding domestic demand, and helped to the best of its ability the victim countries to pull through the most difficult time. China also played a proactive role in working together with its neighbors to combat the natural disasters like SARS in 2003, and providing assistance to the suffering countries after the Indian Ocean tsunami in late 2004, and massive earthquakes in South Asia in October 2005. In short, many East Asian countries now see cooperation with China in its process of development increasingly indispensable for their own development and prosperity.

From a negative point of view, quite a few East Asian countries are understandably concerned over the implications of China's ascent in the future. Despite China's efforts to pursue a good neighborhood policy, these countries have still fear of the so-called China's threat underlined by its rapid rise. At the same time, it is almost a consensus that the best way to avoid the future uncertainties of China's development is not taking a confrontational approach. Rather, it will be in everybody's interests to induce China into the international environment as a stakeholder and a responsible nation. This cooperative approach requires the inclusion of China into the expansion of regional cooperation in the region. That way, it is hoped that China as well as other nations can all behave in a more predictable and manageable way in a regional cooperative framework, and that peace and security of the region can be better ensured.

So, the development of the East Asian regional cooperation and integration seems an irresist-

ible trend, which can be viewed as another indication of the benign development of the world heading towards multipolarity. Although this regionalism in East Asia is still in its embryonic stage, the impact of the trend has already been felt worldwide; and people are beginning to wonder to what extent the world will change with the emergence of an economic and political bloc in East Asia, with a population of 2 billion, accounting for more than one third of the world population; and with the fastest economic growth rate, a huge foreign exchange reserve, accounting for half of the world total, and a combined GDP accounting for 20% of the world economic strength.

Characteristics of East Asia regional cooperation

The development of the East Asia regionalism has also shown that East Asian countries have adopted a unique path to push forward their cooperation at the very beginning in accordance with the specific complex conditions that they find themselves in. This uniqueness has been best demonstrated in the insistence on the "Asian way" in the whole process of the cooperation and interaction. The highlights of the "Asian way" can be summarized as the following:

1. Full respect for the diversity in East Asia. The region has long been characterized by its pluralistic structure with remarkable differences in political systems and values, economic structure, development level, religious belief, and cultural traditions of various countries. The complexity is further compounded by the fact that owing to historical grudges as well as numerous territorial disputes and overlapping in

the claims of maritime interests among nations in the region, which had led to quite a few military conflicts, lack of confidence and trust is almost the most salient hallmark in the region. Against the backdrop, how to adapt to this situation is one of the greatest challenges for the progress of the regional cooperation.

The East Asian nations have, however, demonstrated remarkable Oriental wisdom in overcoming all these discrepancies and misgivings, and succeeded in pushing the regional cooperation with fast speed. The secret for their success lies, in essence, in the full respect for the diversity and proceeding with the cooperation in a very pragmatic and discreet way. Attention was particularly paid to ensuring the participants to feel comfortable with the agenda and the pace of the progress of the cooperation, taking into account positions of each of the member countries. When conditions were not ready for the agreement, they would rather wait than make haste and premature decisions. To put it another way, process is more important than quick results. As long as the process is going on, the East Asian countries are on the right track to work together to build further confidence and trust which are so important for the consolidation as well as development of regional cooperation. In short, the Asian approach stressed incremental progress in the spirit of mutual respect and benefit, equal participation, consensus-building, and seeking common ground while shelving differences.

2. The leadership role of ASEAN. This is another important feature that uniquely distinguishes East Asia from all the other regions in the process of regional cooperation and

integration. In the conventional sense, it is always the major powers that provide the essential impetus and lay the ground rules for the cooperative actions in the regions concerned. Just look at those regional cooperative mechanisms in Europe, America, Africa, or even South Asia, it was invariably those big powers who sit in the driver's seat, and other smaller countries follow their way. In the EU, the extent to which a member country has its say may even depend on the size of its population and the economic strength in its voting system. This is not the case of East Asia. In East Asian regionalism, it has been so far an established rule of the game that ASEAN as a grouping sits firmly in the driver's seat while other partners like China, Japan, Australia, India, and even the United States, are quite pleased to accept ASEAN's leadership. The leading role of ASEAN finds its expression in almost an all-around way. For example:

1) In all the major East Asia cooperative mechanisms as listed above, ASEAN always participates as a grouping, instead of in the capacity of the individual members of the association, thus playing a far greater role in the cooperative process than if the ten relative small and medium-sized countries had acted separately.

2) ASEAN decides the agenda of the discussions through consultations with other partners; each member of ASEAN rotates in hosting as well as chairing the major activities, particularly the gatherings of the state/government leaders.

3) Although decisions on the participa-

tion of non-ASEAN members in the East Asian cooperative mechanisms like the EAS must be consensus-based, it is ASEAN who is responsible to nominate those candidates. More important, those non-ASEAN countries who wish to join the EAS must first of all accede to the ASEAN's Treaty of Amity and Cooperation in Southeast Asia (TAC), which has thus virtually become the charter for the East Asia community building.

4) ASEAN has also provided the conceptual leadership in the regional cooperation by providing most bold and creative ideas and suggestions, and initiating new programs.

Hence, it is almost unimaginable to see the development of the East Asia regional cooperation and integration without the pivotal contributions of ASEAN. Now why this peculiar situation as if the tail wags the dog and not the dog wags the tail? The reasons essentially are two-fold:

First, only ASEAN is best equipped to provide its experience and expertise for regional cooperation in East Asia. As is noted, ASEAN is the cooperative mechanism earliest set up in East Asia. The organization was founded initially by five Southeast Asian nations (Indonesia, Thailand, Malaysia, the Philippines and Singapore) out of "a desire to share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development", and "to ensure their stability and security from external

interference in any form or manifestation in order to preserve their national identities in accordance with the ideals and aspirations of their peoples."¹⁵ The objective has become the purpose of all the East Asian cooperative activities ever since. From then on, despite numerous setbacks, ASEAN has been developing into a much matured and extensively institutionalized cooperative mechanism with ten nations in Southeast Asia as full members. The organization has expanded its cooperative areas from firstly economic cooperation to the political as well as security fields and built up elaborate cooperative regimes with a set of guiding principles and phased goals for its future development. During the process, of special importance were several important initiatives that ASEAN launched in order to broaden the areas of cooperation and to free Southeast Asia from any form or manner of interference by outside powers. These include:

1) Call for the establishment of the Zone of Peace, Freedom and Neutrality (ZOPFAN) in Southeast Asia at the ASEAN Foreign Ministers meeting in Kuala Lumpur on November 27, 1971. The call was issued through the Kuala Lumpur Declaration, known also as the ZOPFAN Declaration

2) Signing the Treaty of Amity and Cooperation in Southeast Asia (TAC) at the first ASEAN Summit in Bali on February 24, 1976, right a few months after the end of the wars in Indochina. The TAC laid down the legal framework for inter-States relations based on the principles of UN Charter, the Ten Principles of

¹⁵ "ASEAN Declaration (Bangkok Declaration)", Bangkok, Thailand, August 8, 1967, <http://www.aseansec.org/1629.html>.

the Asian-African Conference in Bandung in 1955, the ASEAN Declaration and the ZOPFAN Declaration. Among other things, non-interference in the internal affairs of one another, and peaceful settlement of disputes through regional processes were particularly stressed as the highlights of the fundamental principles, both of which were to become the two main pillars of the East Asia cooperative mechanisms.

3) Deciding to establish Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ) through signing the treaty on SEANWFZ at the Fifth ASEAN Summit in Bangkok, in December 1995. The initiative is another strategic component of the regional cooperation in Southeast Asia. Since then, ASEAN has been engaging all the five Nuclear Weapon States to persuade them to sign the Protocol to the SEANWFZ Treaty, to recognize and respect SEANWFZ and to support ASEAN in developing cooperation with all parties concerned, including the IAEA.

4) Defining cooperative partners for inter-regional cooperation. During the process of the development of ASEAN, the group has never lost sight of the need to engage their external friends and partners in cooperation activities for mutual benefit and common good. In the ASEAN Vision 2020, adopted at the ASEAN Second Summit in Kuala Lumpur on 15 December 1997, it was stressed that "an outward-looking ASEAN playing a pivotal role in the international forums, and advancing ASEAN's common interests."¹⁶ Thus over the years, ASEAN has built an elaborate process of engaging as Dia-

logue Partners key countries that are economically and/or politically important to ASEAN, including Australia, Canada, China, the EU, India, Japan, the ROK, New Zealand, Russia and the US. The UNDP is also a Dialogue Partner.

5) Pushing for the gigantic economic cooperative programs of establishing free trade zones in East Asia with ASEAN as the core, which will eventually lead to the set up of a grand integrated market covering 3 billion of the world population. Negotiations among various parties have been intensively going on. So far, impressive progress has been accorded. The ASEAN itself has decided to establish the economic community by 2020. The six core ASEAN members would first build the free trade area (AFTA) among themselves by 2012. ASEAN has set the target year of 2010 with China for creating the FTA between the two sides; 2011 with India, and 2012 with Japan. In addition, ASEAN has also been engaged in the negotiations with the ROK and India for their bilateral FTAs respectively. Australia and New Zealand have also showed interest in joining the exercise.

Against the backdrop, it is no exaggeration to suggest that East Asia cooperation and integration have indeed been no more than the extension of ASEAN cooperative actions.

Secondly, only ASEAN can play a bridging role in facilitating the cooperation among major powers in the region. In this respect, it is perhaps also unique that East Asia is a place which sees the convergence of the fundamental in-

16 "ASEAN Vision 2020", Kuala Lumpur, Malaysia, December 15, 1997, <http://www.aseansec.org/2357.html>.

terests of many major powers including China, the US, Japan and Russia. Each of these major players, however, finds its core interests at stake, but has a threat perception and security strategy different from others in the region. As a consequence, despite their desire to promote cooperation between them, deep-rooted suspicion in the back of their minds persists, and all are wary of other powers' increase of influence at the expense of their own interests during the cooperative process. Thus, who is going to be at the leadership is a very sensitive issue. Indeed, any major power that happens to take that position will inevitably generate mistrust from the others. Under these circumstances, ASEAN becomes the only acceptable choice as it is a collection of small and medium-sized nations, each of which evidently causes no fear from its big brothers of harboring an unacceptable ambition to dominate the region. At the same time, keenly aware of its unique position, ASEAN is careful and also skillful in exploiting the advantage by pursuing a more or less balanced policy towards all the major powers in the region, striving to maintain good relations with all of them. ASEAN also contributes a great deal to managing the differences between the major powers whenever they occur. Such a lubricating role will perhaps still be indispensable in the East Asia community building as long as major powers still regard their relations as a zero sum game in nature.

3. Outward-looking and openness in cooperation. East Asia regional cooperation, in its narrowly defined definition, is of course referring to the cooperation among nations from both Northeast Asia and Southeast Asia.

But when cooperation develops to the point of East Asia community building, leaders of East Asian countries have made an important decision (not without heated debate though) to extend the member countries far beyond the East Asian geographical boundary. The advantage of the incorporation of geographically diverse countries lies obviously in that those non-East Asian countries which have close ties with the region are now better able to join the regional cooperation, and that more valuable experience from different quarters can be absorbed. During the first EAS Summit, it was particularly stressed that EAS is an open, inclusive, transparent and outward-looking forum, and that the United States, the European Union and other countries and organizations outside this region are welcome to enter into relations with the East Asia cooperation mechanism and to play a positive and constructive role in promoting stability and development in East Asia. The inclusive nature of the East Asian regionalism is also fully reflected in its desire to maintain coordination with other regional mechanisms such as the Shanghai Cooperation Organization (SCO), ASEAN Regional Forum (ARF), Asia Cooperation Dialogue (ACD), Asia-Pacific Economic Cooperation (APEC), Asia-Europe Meeting (ASEM), Forum for East Asia-Latin America Cooperation (FEALAC), Asia-Middle East Dialogue (AMED), and South Asian Association for Regional Cooperation (SAARC), etc. As the Chinese Premier Wen Jiabao pointed out, acting that way "we should create a new situation in which various regional cooperation mechanisms give full play to their respective strengths, reinforce each other and enjoy common development."¹⁷

In the meantime, openness of East Asia cooperation also finds its expression in the gradual set-up of a network of cooperation, extensively spreading throughout a wide spectrum, at various levels and at both official and unofficial channels. There are official channels of regional cooperation (Track I mechanisms) like the ASEAN +3 process or the EAS. There are also Track II regional cooperative mechanisms, ensuring the East Asian regional cooperation to have non-governmental extensive support. In this respect, the role of the latter should be given particular credit, as they have constituted a unique approach to multilateral cooperation in dealing with international relations in the region. The following are some important unofficial coordinating mechanisms:

- 1) East Asian Vision Group (EAVG) and the East Asian Study Group (EASG). Upon the proposal by the ROK President Kim Dae Jung in 1998 to promote regional cooperation in East Asia, the two East Asian studies groups were established under the ASEAN+3 framework. As noted above, both played a crucial role in helping the leaders of the East Asian countries define the nature of East Asian cooperative mechanisms, and decide specific East Asian cooperation fields and appropriate measures.
- 2) Industry and Commerce Forum in the business community. This forum was made up of business people and scholars, who discussed

entrepreneurial cooperation affairs among East Asian countries at non-regular intervals.

- 3) East Asia Forum. Established in light of the suggestions proposed in the two reports by EAVG and EASG, the forum consists of governmental and nongovernmental officials at all levels, with the purpose of promoting extensive social exchange and regional cooperation.
- 4) Network of East Asia Think Tanks. Based on the ninth proposal of the near-term measures suggested by EASG, this network has been led by the Chinese government and approved by the East Asian Informal Summit.
- 5) Comprehensive Human Resources Development Program for East Asia. This is also the content of the 11th near-term measure proposed in the EASG report, led by the Japanese government.
- 6) East Asian Congress. proposed by Malaysia, its first conference was held in August 2004. Although it does not belong to the official ASEAN+3 mechanism, the scale of the meeting is fairly large and has fairly great influence.¹⁸

Future challenges to the East Asia regional cooperation and community building

But of course as the old saying goes, where there is an advantage, there is an accompany-

17 Wen Jiabao, "Be Open and Inclusive and Achieve Mutual Benefit and Common Progress", speech at the first East Asia Summit, Kuala Lumpur, Malaysia, December 14, 2005, <http://www.fmprc.gov.cn/eng/wjdt/zyjh/t228275.htm> 2005/12/14.

18 The introduction to the track two mechanisms are chiefly based on the background briefing from the Network of East Asia Think-Tank on the ASEAN+3 Process, http://www.neat.org.cn/neatweb_en/hzjz/index.php?topic_id=001005.

ing disadvantage. In the East Asia cooperation, it is precisely the uniqueness and indeed the strength as noted above that may also give rise to the vulnerabilities in the prospective development. Although the regional cooperation and integration in East Asia is an inevitably trend, there are also noticeable challenges coming from the inherent structural problems. The way as how to meet these challenges may fundamentally affect the content, nature, scope, and the pace of the East Asian regionalism in the future.

First of all, about the leadership role of ASEAN, which seems also to have its weakness to motivate the sustained progress of the regional cooperation and community building in the future. True, up till today and for a considerable time in the future, ASEAN has been and will continue to be the most important driving force for the East Asian cooperation. Its role as the chief organizer and coordinator is irreplaceable. But after all, for all its advantage to sit in the driving seat for the East Asian regional cooperation and community building, the capacity to affect the great change both within and outside ASEAN is greatly restricted.

Apart from its own limited economic strength, the weakness of ASEAN also comes partly from the discrepancy in terms of development level within the organization itself. The GDP of the 6 core members has already reached US\$7,064 while that of the most underdeveloped member states such as Cambodia, Laos, Myanmar and Vietnam is only US\$333. The trade volume of the latter four nations only accounts for one fifteenth of the former 6. There is also a huge gap in the domestic governance, the economic

management in particular within the organization. Against the backdrop, apparently different attitudes exist among ASEAN nations with regard to the content and pace of the economic integration even within the group. Take the AFTA, for example. The conclusion of AFTA was of course a huge step towards economic integration within ASEAN itself. It was also a giant step towards promoting economic integration between ASEAN countries and their neighboring countries in East Asia. AFTA is therefore a signature achievement, which may go along towards Southeast Asia cooperation and integration. But countries more developed like Thailand and Singapore in ASEAN have more enthusiasm to speed up the integrating market process whereas those less developed like Indonesia or the Philippines seem more prudent, let alone those most underdeveloped members who are simply not in a position to join the intended integration before they are able to manage to improve their domestic economic health.

Relatively limited strength, discrepancy in terms of development level, and different threat perceptions, as well as different focuses on strategic objectives among its member states are all combined to greatly restrict the capacity of ASEAN to deal with political and security disputes within the group in an efficient way. For instance, ASEAN seems incompetent in solving the civil war in Cambodia, and the conflict in East Timor within its own framework. Nor has ASEAN been able to solve the territorial disputes between members of the group. In all these cases, other international organizations like the UN and the International Court look more

helpful, and ASEAN seems to be more like an onlooker. In addition, the step-down of President Suharto in 1998 has not only caused great social turmoil in Indonesia, but also reduced the influence of that country in ASEAN, who used to be the leader of the group. ASEAN seems now to be losing a leading force within itself that could truly rally all the strength of the ten members.

Secondly, about the major power's competition, which seems always a major constraint to the East Asian regional cooperation. Among all these major players, the most crucial countries are China, the US, and Japan. I will come to China later in the paper. Here a touch upon the roles of US and Japan may be in order.

As noted above, the US position to any East Asian regional cooperation and community building process without its own participation seems always to be elusive and wavering, ranging from sometimes strong opposition to sometimes evident ambivalence, and to sometimes reluctant support but with high vigilance, depending on different occasions. Washington certainly has reason to be so as it does see its own core interests in the region at stake. The US economic interests in East Asia have been increasing dramatically. According to Joe Nye, former Dean of Kennedy School of Harvard, "the United States trade with the Asia-Pacific region in 1993 totaled over \$374 billion. It accounted for 2.8 million United States jobs. But most significant is the trend: from 1992-2000

Asian GNP [gross national product] is expected to increase from 25 percent to 33 percent of the gross world product; and the number of U.S. jobs tied to the region is projected to double to about 6.5 million. Moreover, the Asia-Pacific economies are estimated to climb to 50 percent of world GNP by the middle of the next century. Given Japan's economic and political weight, it is an important partner in our efforts to fashion an enduring post-Cold War regional and international order. The region has also produced other economic successes - China, Taiwan and Hong Kong, the Republic of Korea, Singapore, Malaysia, Indonesia and Thailand - each of which is a key United States trading partner and will play an increasingly important role in the global economy."¹⁹

In the security area, East Asia seems to be a region where the United States may experience the most acute security challenges of the world today, and confronts with a most uneasy prospect of uncertainty and unpredictability in the future. These challenges in the US perspective could, inter alia, include:

- 1) The Asia-Pacific has seen the rise of quite a few emerging powers such as China, India and Russia, whose policy orientation may be in conflict with the US vital interests, and constitutes the most serious threat to the dominant position in East Asia. But among all those candidates of rivalry, what the US is truly worried about is the uncertain impact of a rising

19 Joseph S. Nye Jr, "The US role in East Asia Regional Cooperation", Defense Issues: Volume 10, Number 35-Strategy for East Asia and the US-Papan Security Alliance, http://www.neat.org.cn/neatweb_en/xsyj/contentshow.php?content_id=56.

China that might dictate the regional security in the development of East Asia regionalism. Washington has in fact made no secret of this concern, stressing explicitly that "of the major and emerging powers, China has the greatest potential to compete militarily with the United States and field disruptive military technologies that could over time off-set traditional US military advantages absent US counter strategies".²⁰

2) The dynamism of economic development has been giving impetus to even the security cooperation among various nations in the region, raising a specter of increasingly marginalization of the US role in East Asia.

3) There are still two divided nations in the region, namely, China and Korea, both of which promise to destabilize the status quo of the region, and may even drag the US in a military conflict when tension is to build up or a military conflict erupts.

4) East Asia is also a region where the US finds no reliable US-led multilateral security mechanisms to ensure its security interest. The role of military alliances naturally becomes most important in the US security strategy. However, except for the US-Japan alliance, other bilateral alliances, the US-ROK security arrangement in particular, have been demonstrating a growing centrifugal trend that could threaten the unraveling of the whole security architecture in the region, if not well-attended.

5) From a negative point of view, the US believes that East Asia is still a region where indigenous countries, China and Japan in particular, are scrambling for the leading role in future regional community building amidst deep-rooted suspicion and mistrust among themselves. The US is afraid, thus, that without the American military presence, these countries may resort to rearming themselves; many countries are even driven for acquisition of nuclear weapons or other weapons of mass destruction as the DPRK has been doing in the hope of better protect their core interests in times of dramatic changes.

Against the backdrop, Washington is determined to stay in the region as Joseph Nye observed that "for the security and prosperity of today to be maintained for the next 20 years the United States must remain engaged in Asia, committed to peace in the region and dedicated to strengthening our alliances and friendships". To that end, Nye holds that "the US security strategy for Asia rests on three pillars: our alliances, our forward military presence and our participation in multilateral dialogue."²¹ But it goes without saying the multilateral dialogue that Nye is referring to includes only those in which the US must have a role to play. Or at least it should not exclude its participation. Washington naturally sees all those mechanisms like the EAS that exclude its participation as hostile and unacceptable. The US concerns seem particularly to concentrate on the following aspects: One, develop-

20 "Quadrennial Defense Review Report", Pentagon, Washington, February 6, 2006, p. 27.

21 Ibid.

ment of East Asia regional community building must not derail the US designed security systems. Two, efforts of the regional community building must not be under the control of a major power like China, and thus eventually drive the US out of the region. Three, the East Asian regionalism must not undermine the role of the region's other multilateral organizations and initiatives both institutionalized like the ARF and APEC, and ad hoc like the Six-Party Talks in the Korean Peninsula and the Proliferation Security Initiative (PSI), in all of which the US is a member state.

Japan's attitude towards East Asia cooperation and integration is also mixed. In history, Japan was the first major power to push for regional integration under its sheer dominance in its competition for hegemony with the Western powers in East Asia. That colonial ambition fell apart together with its defeat in the Second World War. With the dynamics of its miraculous economic development starting in late 1960s, Japan, however, had a long period of time, enjoying the virtual leadership in the rapid economic growth of various East Asian economies. During the process, Japan had even seen the rising tension in its relations with the Western countries, the US in particular. In Tokyo's perspective, regional cooperation in East Asia under its dominance was

always instrumental in shoring up its position vis-à-vis other economic powers outside the region. But the end of the Cold War seems to give rise to a more complex situation, to which Tokyo most probably has not been well prepared to adapt. In this regard, there have been several developments that might affect Japan's role in the regional cooperation and integration in East Asia in particular:

- 1) With Japan's long-term economic depression and China's fast economic development over the last decade, a shift in the balance of economic power in East Asia is on the horizon, eroding Tokyo's political influence and economic leading role in the Asia-Pacific affairs.
- 2) With the rise of the rightist force at home, there is also a shift of balance of political force in Japan's domestic environment. One of the resultant consequences is that in their eagerness to change Japan into a "normal country", the current Japanese political leaders have not only encouraged but even participated in the campaign of beautifying Japan's colonial and military past, and dogging the responsibility in the horrible atrocities perpetrated in the World War II. Japanese Prime Minister Junichiro Koizumi insisted on paying homage to the Yasukuni Shrine, where Japanese war criminals are worshipped has done tremendous damage

22 For the reactions of the international community to the behavior of the Japanese leadership, see "Japan's Offensive Foreign Minister", Editorial of the New York Times, February 13, 2006. The article is typical in the critical views of the Japanese attitude, arguing that "People everywhere wish they could be proud of every bit of their countries' histories. But honest people understand that's impossible, and wise people appreciate the positive value of acknowledging and learning from painful truths about past misdeeds. Then there is Japan's new foreign minister, Taro Aso, who has been neither honest nor wise in the inflammatory statements he has been making about Japan's disastrous era of militarism, colonialism and war crimes that culminated in the Second World War." [Http://www.nytimes.com/2006/02/13/opinion/13mon3.html](http://www.nytimes.com/2006/02/13/opinion/13mon3.html).

to the feelings of the international community. Japan's relations with its neighboring countries have been fast deteriorated.²²

3) In its foreign and security policy, the current Japanese leaders have also decided to give up the traditional policy of attaching importance to the cooperative relations with its Asian neighboring countries while stressing the Japan-US alliance as the cornerstone for security. The current Japanese rationale seems to be that as long as Japan maintains good relations with the US, Tokyo would have no worries on good or bad relations with any other countries. While the new position has won warm support from Washington, Japan has evidently lost much of independence and leverage in its actions, while its relations with its neighbors continue to be worsened.

Under the circumstances, Japan's position towards regional cooperation and integration seems increasingly schizophrenic. No doubt, as an East Asian nation, Tokyo continues to endorse moves towards economic cooperation in East Asia as long as they are conducive to its own economic development and strengthen its position in the region. In fact, particularly in the economic and trade area, Japan has seen its interests more and more associated with the development of other East Asian countries. Japan's economy has been increasingly relied on the Asian market. This is particularly so in its growing interaction and greater trade with China. China has become an important factor underpinning Japan's recovery from the economic recession. Thus, it's ironical that despite its current deliberate provoca-

tive policy towards China, Tokyo does not wish to see the spillover of the souring political relations into the economic and trade area with Beijing. The two countries have seen a rise of 12.7% in the bilateral trade in 2005, reaching the trade volume of US/\$1, 893. China has become the number one trade partner for Japan.

But then on the other hand, Japan's enthusiasm about the regional cooperation and community building will be constrained primarily by two trends in the future.

The first is Tokyo's competition with Beijing for the greater influence on the cooperative progress in the region. The psychological factor plays as much a role as the geo-strategic consideration in the increasing competition between the two East Asian giants. Interestingly, Japan was a very good student learning from the Chinese civilization in the history of interaction between the two countries over two thousand years. It was not until the Japanese successful Meiji reform in the modern history, which made Japan the number one military power in the region, China took the turn to start learning from Japan. This process has continued till today. Thus for over past one hundred years, with its mighty economic power, many Japanese seem to develop a superiority complex over the Chinese, and take for granted that they are the leader of the region, and that it is others that should learn from them. Now with the dramatic change of the situation since the end of the Cold War, this picture has begun to change. China is on the rise while Japan seems declining in terms of both economic power and political influence relatively speaking. Against the

background, Japan seems ill-prepared for the fact that two strong major powers will co-exist in East Asia in the future. That's the reason why Tokyo has been especially articulate in voicing the so-called China threat, making efforts to counterbalance whatever Beijing has been doing. It is indeed most unfortunate when the tide of the historical development is calling for the closing ranks of the East Asian nations, Japan's loss of mental balance could become a major obstacle in the East Asia cooperation and community building.

The second is Tokyo's preoccupation with security collaboration with the United States, which may drag its own feet towards crucial steps in the regional concerted actions. As a matter of fact, Tokyo's status of the closest proximity to Washington has posed a dilemma for itself in that regard, as going completely in line with the US will not always be in Japan's best interests. At the height of the Asian financial crisis in the fall of 1997, for instance, Japan once proposed the creation of an Asian Monetary Fund (AMF) as a regional alternative to the International Monetary Fund (IMF) in the hope of strengthening the East Asian regional capacity to ward off the unexpected disasters. Setting aside the validity and feasibility of the proposal, the Japanese move is evidently in its own as well as regional interests, but immediately stirred virulent controversy and ignited an unusually visible conflict between the United States and Japan. Under the pressure of the IMF and the US Treasury, Japan quietly withdrew the proposal in favor of a more IMF-centered approach. The incident is a vivid reflection how Tokyo might be constrained in its actions by having to con-

sider the interests of its major ally outside the region at the expense of its own.

China and East Asia regional cooperation and community building

China's position towards East Asia regional cooperation and community building has been evolutionary. During the Cold War, China was virtually isolated from other parts of the world particularly in the economic and trade area. No regional cooperation which involved China's participation was conceivable. In addition, confrontation with one or even both the two superpowers had rendered China extremely sensitive and suspicious over whatever moves other nations might have initiated towards multilateral regional arrangements. This wariness continued even in the first years after the end of the Cold War. Thus when ASEAN and other major powers like the US and Japan pushed for the regional confidence building measures, China was uninterested and indifferent at best, deliberately keeping distance from them lest it was trapped into a set-up, losing its freedom of action.

With fast economic development and progress of its reform and opening-up policy, China's attitude has been gradually seeing dramatic changes. No longer resisting regional cooperation, Beijing joined in the multilateral efforts like both APEC and RAR at official channels, and the Pacific Economic Cooperation Council (PECC), and the Council of Security Cooperation in Asia-Pacific (CSCAP) at the unofficial channels respectively in the mid-1990s. At those forums, however, Beijing acted at first in a very cautious manner, more like an observer than a full participant. But step

by step, China evidently sensed the advantages by participating in such multilateral interactions, and realized that East Asia regional cooperation could be the best instrument in achieving major goals of Beijing's foreign and security strategy. Practical economic interests are clearly one of the driving forces for China's newly-born enthusiasm. But calculations based on a new vision on its behavior in the international affairs play a more fundamental role in precipitating the positive change of China's attitude.

First, in its efforts to work with the international community to boost world multipolarization, promote a harmonious coexistence of diverse forces and maintain stability in the international community, China has now held that cooperation and community building in East Asia will constitute an important building block for the regional as well as global security architecture in the future, and thus occupies a crucial place in China's overall diplomacy for the establishment of a new, fair and rational international political and economic order. In fact, Beijing may even regard its effort to join the regional cooperation in East Asia as exciting experiments in fostering a new type of state-to-state relations in a multipolar world. As Jiang Zeming stressed in his report at the 16th Party Congress in 2002, this new international relations should be characterized by a scenario in which "politically all countries should respect and consult one another and should not seek to impose their will on others. Economically they should complement one another and pursue

common development and should not create a polarization of wealth. Culturally they should learn from one another and work for common prosperity and should not exclude cultures of other nations. In the area of security, countries should trust one another and work together to maintain security, foster a new security concept featuring mutual trust, mutual benefit, equality and coordination, and settle their disputes through dialogue and cooperation and should not resort to the use or threat of force."²³ Regional cooperation has become the main venue to accomplish this objective.

Secondly, China clearly understands that regional cooperation has been increasingly crucial for its effort to build an enduring friendly, peaceful and stable neighborhood, so that Beijing finds it possible to concentrate on its domestic development. Given the current situation, China is keenly aware that lack of mutual trust is the major roadblock to that end, and believes that by working together with other regional nations in the process of cooperation and integration would go a long way towards building common interests, reducing mistrust, and providing greater incentives for seeking peaceful solutions to the disputes among themselves.

Thirdly, China seems also to hope that the regional cooperation and community building would help lessen the concern of the East Asian countries about China's future orientation as well as greatly relieve the US military pressure against Beijing under its hedging doctrine.

23 Jiang Zemin, "Report at the 16th Party Congress", Beijing, November 8, 2002, www.fmprc.gov.cn.

Guided by the new thinking, China has become a most proactive partner with other nations in the exercises for the regional cooperation and integration today. China has played a particularly critical role in the development of two major regional cooperative mechanisms in the Asia-Pacific in the recent years. In the North, China has helped not only create the Shanghai Cooperation Organization (SCO), but also complete the institutionalization of the mechanism, extending the security cooperative area to other political and economic fields among its member states. In the South, China has been an active partner to help start the ASEAN+3 process. Beijing was the first major power in the region to reach agreement with ASEAN for the creation of FTA between the two sides, thereby providing great incentives for the positive attitudes of other countries to take the same action. China was also the first major power to accede to the TAC, consolidating the legal basis for the development of cooperative relations with ASEAN. In addition, China took a series of initiatives to, among other things, start cooperation on non-traditional security, establish a strategic partnership relationship with ASEAN, and work together with Japan and the ROK to issue the first joint trilateral declaration, all of which served to greatly expand the cooperative areas in East Asia.

But of course, China, in the meantime, fully recognizes various challenges ahead in the course of East Asia cooperation and community building. On China's part, the challenges may be mostly conspicuous in the following issue areas:

About the major driving forces of the East Asian regional coopera-

tion and community building

Undoubtedly, China will continue to support ASEAN's leading status in good faith as it is the only pragmatic option for the development of regionalism under the current situation. But it is also clear that the real engine for the full-fledged regionalism in East Asia will increasingly hinge on the contribution of China and Japan - the two most important countries in the region. This issue of leadership in East Asia cooperation and integration will involve, as far as China is concerned, two inherent structural problems to be addressed in the future:

One is how to ensure the much needed more substantive contribution of the two major countries-China and Japan- in Northeast Asia while adhering to the leading role of ASEAN in the future development of East Asia regional cooperation.

The second, more fundamentally perhaps, is how Beijing will achieve more intimate cooperation with Japan based on the true political reconciliation and greater economic interaction in a spirit of mutual respect and benefit, if the former question is to be solved. Many people believe that like the German-Franco reconciliation in the regional integration in the European context as the most important cornerstone, China-Japan reconciliation will also constitute a prerequisite for the sustained East Asia regionalism. It is in this sense, that it can be argued that the future of the East Asia regional cooperation and community building would be very much depend on the relations between China and Japan. This view is vindicated by the findings of a survey recently conducted by the Core Group of the Chinese

Experts, involved in a research project entitled: "Northeast Asia Trilateral Research Project" from December 2005 to January 2006. 30 Chinese individuals with various business, academic, military, social, media and government backgrounds were asked questions on vital security issues in Northeast Asia, which had been jointly designed by scholars and experts from China, Japan and the ROK. On the issue of Northeast Asia economic co-operation and common regional identity, the survey reported, most Chinese respondents have thought that Sino-Japanese reconciliation as "the most critical precondition for regional economic co-operation" and believed that "political leadership and willingness are the decisive factors in promoting joint leadership by China and Japan in this regard."²⁴ No one, however, seems optimistic about the prospect of China-Japan relations in the future. Given the fact that the two countries are so deeply embroiled in the emotional debate on history issues that it seems almost no way out if leaders of the two countries do not demonstrate political insight and courage to seek a solution.

About the format of East Asia regional cooperation and community building

Two trends in the development of the East Asia regionalism may essentially co-exist in the future. One is the continuous progress of the true region-wide cooperation, most probably based on the ASEAN+3 process. The other is the East Asia cooperation in a larger context, recruiting non-East Asian countries as full mem-

bers as demonstrated in those mechanisms like the APEC, the ARF, and the EAS. How the two developments interact, and which of the two becomes the main mode of East Asia regional cooperation and community in the end is yet unknown. More time is perhaps needed for the answer. Although they may reinforce each other, the two trends could also be in conflict. Evidently, East Asian regionalism has taken on an uncharted path, very different from that of, say, the European Union, and unpredictable in terms of nature and scope.

The outcome of East Asia regional cooperation and community building may also be determined by another elusive factor, namely how much diversity and inclusiveness can be allowed to offer the maximum flexibility of the specific cooperative moves. The great strength of the East Asia regionalism lies in its respect of diversity of the region, and allowing the maximum inclusiveness in its architecture. But diversity and inclusiveness could also be a double-edged sword. For all its merits, diversity implies discrepancies among the participating countries that offer poor foundation for the concerted actions, and the difficulties to reach agreements that have legally binding power on the participants. As a result, East Asia regional cooperative mechanisms work so far mostly on the voluntary basis, functional and issue-oriented, and less institutionalized. Further, greater inclusiveness has made the regional cooperation and community building more like a global joint venture beyond East Asia. With more participants involved, diffi-

24 Zhang Tuosheng, "East Asian Perspectives Outline Path to Progress", China Daily, Beijing, March 29, 2006, http://www.chinadaily.com.cn/opinion/200603/29/content_554835.html.

culties would increase for decisions, which are able to take into consideration the interests of all these countries and accommodate their differences on specific issues despite their profuse expression of promoting solidarity.

About the negative implications of the two remaining divided nations in the region to the East Asian regional cooperation and community building

One of the unfortunate security challenges in East Asia is the continuous division of China and Korea. The failure of achieving reunification of the two regional nations remains one root cause for the tension in the Asia-Pacific, and constitutes a major obstacle to the East Asia cooperation.

Although separations of China and Korea had taken place against entirely different backgrounds, they nevertheless both generate intense hostility and deep mistrust among the various parties concerned, greatly poisoning the political atmosphere for the regional cooperation. In the case of the divided Korean Peninsula, confrontation across the 38th Parallel Line has provided fertile soil for the excessive arms build-up, proliferation of weapons of mass destruction, and even the eruption of military conflicts in Northeast Asia. In the similar manner, despite efforts of the mainland of China to stabilize the situation across the Taiwan Straits, the secessionist force on the island clamoring for “independence” is giving rise to the tension of the whole region of East Asia, and even a regional war, dragging the involvement of major powers. The prospect of the

regional tension and even a military conflict as a result of the spillovers of the two divided nations has become one of the major sources for the difficulty of keeping major power’s relations on a normal track.

What compounds the complexity of the divided nations is that an issue of participation in the East Asian regionalism has already emerged. In the case of the Korean Peninsula, the DPRP has been suspicious of the East Asian regional cooperation and reluctant to participate in the regional joint actions, given its isolation from the region chiefly imposed by the United States. It is obvious the East Asian regionalism can hardly be viewed as complete without the participation of the DPRK. On the Taiwan question, Beijing has firmly blocked the participation in any regional cooperative moves on security by the island on the ground that Taiwan is not a sovereign state. Beijing’s stand is fully justified. But given its size and economic strength, Taiwan’s absence could also generate inconvenience and would not be considered as complete in the future development of the East Asia regional cooperation and community building.

Conclusions:

Based on the above analysis, there is no doubt that promoting East Asia regional cooperation and community building will continue in China’s best interests. Considering its complex and difficult nature, China, however, should consider a proactive but realistic strategy so as to ensure a stable development of East Asian regionalism. To that end, China should perhaps define good answers to the above listed challenges. The following points may be in order:

1. Walking "on two legs". Although the two trends of East Asia regional cooperation and community building may bring about confusion to its future development on some occasions, China should not see either is against its interests. In fact, as long as they are conducive to the increasing confidence and trust among member states, and strengthening peace and stability of East Asia, any cooperative measures should be welcome. China therefore should continue to support both the ASEAN+3 process and its related cooperative measures as the main venue on the one hand, and the East Asia cooperation in a larger context like EAS on the other. Walking on two legs also means that China should attach importance to both the multilateral and bilateral cooperation in East Asia. Given the current situation, bilateral cooperation in East Asia may be even more realistic, which in turn creates more propitious condition for the development of multilateral cooperation. As a result of the development of both the trends, it can be argued that East Asian regionalism in the future may well be a loosely-knit network of cooperation comprising bilateral and multilateral, official and unofficial, and regional and extra-regional arrangements. There won't be an EU type super-national governing body for the regional cooperation and community building.

But each of these mechanisms constitutes a building block to the functioning of the East Asian regionalism. As far as the process is going on, peace, security and co-prosperity in the region can be ensured.

2. Focusing on economic cooperation as the top priority. If there is anything to be learned from the European regional integration, the most important lesson is perhaps the emphasis of the common interests built by economic cooperation and integration, thereby developing a firm bedrock for the sustained development of regionalism. The European experience is particularly valuable to the East Asian cooperation and community building, as lack of interdependence among the nations in the region has become a major vulnerability in East Asia. In this respect, good news is that the East Asian countries are beginning to give impetus to the strengthening of economic and trade cooperation. From all signs, arrangements of the FTAs among various countries in East Asia are proceeding particularly well, and may serve as the first crucial step towards the energetic development of the East Asia regional cooperation in the near future.²⁵

3. Seeking stabilization and improvement of major power's relations. Again, if the Euro-

25 In China's perspective, "FTA is a stage that cannot be skipped in the process of economic integration. It is also an immediate necessity for the economic development of countries in the region. As things stand now, the process of 'ASEAN Economic Community' has been launched and consensus has been reached on China-ASEAN free trade in goods. Japan and THE ROK are negotiating respectively with ASEAN on FTA, while China, Japan and THE ROK are planning for joint academic research on free trade arrangement among themselves. These developments have paved the way for the establishment of East Asia FTA. The Chinese side is ready to take the initiative to launch the feasibility study of East Asia FTA and host the first expert group meeting in Beijing in April 2005." See Wen Jiabao, "Strengthening Cooperation for Mutual Benefit and a Win-Win Result", Speech at the 8th ASEAN+3 Summit, Vientiane, Laos, November 29, 2004. http://www.neat.org.cn/neatweb_en/zlk/contentshow.php?content_id=50.

pean experience could be any guide, realization of the German-Franco political reconciliation provides the essential prerequisite for all the other ensuing cooperative measures in Europe. In the similar manner, a cooperative partnership relationship among major countries, China, Japan and the United States in particular, will become the eventual framework for the East Asian regionalism. With due respect to the leading role of ASEAN, China should thus make special efforts to further promote friendly relations with both Japan and the US based on greater common interests and better confidence and trust in each other. With regard to its relations with Japan, China should insist on its principled position but with more reasonable flexibility. While stressing that the key to the solution of the current stalemate in the bilateral relations lies in Japan's side, China should not wait, and should perhaps also seriously consider its share of responsibility to help the two countries turn over the unhappy page of the bilateral relations, and initiate the improvement of the bilateral relations. China should also attach equal importance to further improvement of the Sino-US bilateral relations. In this respect, the US has evidently now adopted a hedging strategy to guard against an uncertain future as it envisages in the region. Its position towards East Asia regional cooperation and community building could be viewed as part of this hedging strategy. It is in this sense, the future of China-US relations could be a critical factor in the development of East Asian regional cooperation and community building. China's efforts to continue seeking the constructive cooperation with the US is, therefore, itself a move conducive to the development of the East Asian

regionalism. Together with the strengthening of the two sets of the bilateral relations between the three major powers, it can be argued that developing a more institutionalized trilateral dialogue between China, Japan and the US may be of particular significance as the trilateral cooperative mechanism would be a most suitable venue to further eliminate much of the suspicion among them, and increase transparency over each other's strategic intentions. It is also hoped that through this interaction, the US-led military alliance system could find a proper place in the architecture of the future East Asia regional cooperation and community building. All these developments are not only conducive, but perhaps essential to East Asia regional cooperation and community building.

4. Reducing tension in the hot spots in East Asia. Since the end of the Cold War, many old spots of tension in East Asia like the confrontation along the Sino-Russian borderlines, the turmoils in Indochina, and the disputes in the South China Sea have either been satisfactorily solved or managed. The remaining troubling areas are obviously in the Korean Peninsula and across the Taiwan Straits. China can play a pivotal role in either case. With regard to the tension in the Korean Peninsula, it goes without saying that a solution of the nuclear crisis of DPRK in a peaceful and verifiable manner through the progress of the Six Party Talks remains the most crucial step. China should continue to play the decisively bridging role in bringing together the two main opponents - the US and the DPRK for a solution, based on equality, mutual respect and mutual compromise. With regard to the Tai-

wan question, China should continue to convince Washington that the two capitals have the common interests to work together to maintain the status quo in the framework of both the mainland and the island belonging to one and the same China. At the same time, China should continue to show its understanding and magnanimity of the concerns of the populace in Taiwan in its relations with the mainland, broaden the contact with them, and patiently create more propitious conditions for the eventual peaceful reunification in the there-is-only-one-China framework. All the above efforts, seemingly irrelevant to the East Asian regionalism, would in fact go a long way towards reducing the tension of the region, removing the most destabilizing elements in peace and security in the region, and laying an essential foundation for the development of the regional cooperation and community building in East Asia.

5. Providing conceptual inspiration. Development of the regional cooperation and community is, in essence, a process of reshaping a new type of state-to-state relations. This ideally requires a new security concept, which, free of the Cold War mentality, should no longer regard the international relations as a zero-sum game. In the meantime, regionalism of any parts of the world is always rooted in the historical and cultural traditions of the specific region, and thus carries the region's specific benchmarks. China is a "superpower" in terms of its influence in both aspects. To begin with, having a history of ancient civili-

zation over 5,000 years, China's spiritual influence on the culture and philosophy of other countries in East Asia is extraordinary. It can be argued that the so-called Asian way in the East Asian regional cooperation and community goes completely in line with the Confucius doctrine, characterized by special stress on mutual respect, tolerance, and a more firm sense of taking responsibility to the community. With its increasing participation, China should perhaps make even greater contributions to the theoretical building in the development of the East Asian regionalism, by making use of its soft power of the rich and profound cultural reserve. One can observe that this is exactly what Beijing has been trying to do. As early as in 1999, China formally submitted to the ARF foreign minister meeting a working paper entitled "China's Position Paper on the New Security Concept", in which Beijing gave a comprehensive explanation of its security concept and various connected policies. According to the working paper, the core of such new security concept includes mutual trust, mutual benefit, equality and coordination.²⁶ On many other occasions, China's leadership has also stressed a new vision with regard to the international cooperation based on China's cultural and philosophical wisdom. "Harmony without uniformity", for example, is the guiding principle China put forward for the proper handling of the major power's relations. "It means harmony without sameness, and difference without conflict. Harmony entails co-existence and co-prosperity, while difference conduces to mu-

²⁶ China's Position Paper on the New Security Concept", China's working paper submitted to the ARF foreign minister meeting, July 31, 1999.

tual complementation and mutual support. To approach and address issues from such a perspective will not only help enhance relations with friendly countries, but also serve to resolve contradictions in the international community.²⁷ "Treating neighbors as friends and partners", again, is the highlight of China's guiding principle towards its neighboring countries. All these phrases are taken from the great ancient Chinese thinkers.

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27 Wen Jiaobao, "Turning Your Eyes to China", Speech at Harvard University, December 10, 2003, <http://www.fmprc.gov.cn/chn/zxxx/t56075.htm>.