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Regional Cooperation and Integration in Northeast Asia

Attempts at fostering greater regional cooperation across Northeast Asia are likely to remain compromised by entrenched political elites and nationalist sentiment for the foreseeable future. This suggests that the 'idea' of regional cooperation is more viable than the development of working institutions.

By Christian Wirth for ISN

There is one thing on which policy-makers and academics agree when they talk about the future of Northeast Asia – that the social and economic transformations that continue to occur across the region will reverberate throughout the international system for the foreseeable future. Attempts at understanding these developments have spurred two major competing debates. The first and dominating concept is that of a power-shift from West to East as epitomized by the declining influence of the US and the rise of China as a major global power. The second revolves around how economic interdependence may lead to the emergence of an East Asian region in which aggression among states becomes less likely.

Power Dynamics Vs Regionalism

Proponents of the former – who are primarily located in the US and its allies Japan and Australia – are preoccupied with questions of how to maintain the existing regional security architecture. This neorealist perspective not only involves enhancing bilateral security agreements between the US and its East Asian alliance partners, but also defense ties with Thailand, Singapore and the Philippines. Policy-makers have come to understand that in order to maintain these special relationships they also need to reinvigorate trade and investment, research and development and academic and educational exchanges.

Proponents of East Asian regionalism – who are predominantly found in East Asia, Europe, and to some extent in Australia – focus on the need for intergovernmental institutions to confront the multitude of transnational challenges facing Northeast Asian societies. These include the instability of financial markets, environmental pollution, the spread of infectious diseases like SARS, and disaster relief. With regard to traditional security concerns, proponents of regionalism adopt a neo-functionalist-constructivist perspective and argue that the web of proliferating institutions will eventually socialize decision-makers. This in turn will help Northeast Asia to overcome divisions that have arisen from conflicting interpretations of wartime history, the modernization and build-up of

armed forces and territorial disputes. The success of the Association of Southeast Asian Nations (ASEAN) in mitigating disputes through informal and consensus-based inter-governmentalism serves as a powerful beacon. Given the existing antagonism – especially between China and Japan – ASEAN is seen as sitting "in the driver's seat" of East Asian regional integration.

However, traditional security problems such as the status of Taiwan, peace on the Korean peninsula and a host of territorial disputes have lost none of their salience and, therefore, remain formidable obstacles to regional integration. This was apparent in the ripple effects caused by an incident in 2010 when the drunken captain of a Chinese fishing boat rammed two Japan Coast Guard ships near the disputed Senkaku/Diaoyu Islands in the East China Sea. In such situations, the power of the region's institutions remains tenuous.

Multilateralism's Poor Track Record

In the area of traditional security, the momentum of the ASEAN Regional Forum has gradually waned since its inception in 1994. As the participants were either too close to their governments or without any influence over them, efforts to socialize policy-makers through so-called Track II mechanisms involving bureaucrats and academics have had little impact. Despite their high profiles, it is similarly difficult to see any differences being made by the Shangri-La Dialogue among top leaders and defense officials, or by the ASEAN Defense Ministers Meeting Plus (ADMM+).

The Six-Party Talks aimed at dissolving tensions around the 38th parallel on the Korean Peninsula have also shown a notable lack of promise. This stasis is largely due to the fact that the participating governments have diverging priorities and – with the notable exception of Russia – are ambivalent about a peace regime that would invariably change the entire security architecture of the Asia-Pacific.

The last decade has shown that those initiatives with a broader geographical and topical scope – such as the Asia-Pacific Economic Cooperation (APEC), the East Asia Summit (EAS) and the ASEAN+3 (China, Japan and South Korea) framework – are also not suitable for addressing specific issues. Instead, they have become venues for leaders to compete in promoting their own agendas and engage in public diplomacy.

Strengthening Sub-Regional and Sub-National Ties

This leaves more specific forms of cooperation such as the Chiang Mai Initiative currency swap arrangements, free-trade agreements and technical cooperation between China, Japan and South Korea. Indeed, it is in this dimension that regional cooperation is most visibly advancing. Initially brought together through ASEAN+3 meetings that started in the mid-1990s, politicians and bureaucrats from the three countries now regularly meet to discuss a growing list of issues such as trade, investment, environment, energy and tourism.

Since December 2008, the leaders of China, Japan and South Korea have met annually and independent of any other framework. In May 2009 they released the Trilateral Cooperation Vision 2020, and in September 2011 established a Trilateral Cooperation Secretariat in Seoul. This year they will sign a trilateral agreement aimed at furthering investment protection. Spurred by Washington's push for a Trans-Pacific Partnership (TPP) free trade agreement, (excluding, among others, China and South Korea) the three Northeast Asian economic giants are pressing ahead with the negotiations of a trilateral agreement.

Beyond the development of inter-governmental frameworks, the internationalization of higher education, the convergence of urban cultures and tourism also impact on the political and security

dynamics of Northeast Asia. Between 1999 and 2007, for instance, the number of Chinese students at universities in Japan rose by 215% and the number of South Koreans studying in China increased by 390%. Since South Korea started to gradually lift the ban on Japanese culture in 1998, cultural exchanges have been flourishing. Today, Korean soap operas and pop groups are popular across all sectors of Japanese society. Tokyo has also significantly relaxed visa conditions for Chinese travelers, a gesture that has benefited the Japanese tourist industry.

Imagining a Common Future

Yet despite such positive developments, the defense policies of China, Japan and South Korea suggest that the regionalist vision of an increasingly integrated Northeast Asia remains far from assured. Instead, increased defense budgets and rapid naval expansion suggest that military-political antagonism is likely to compromise enhanced regional cooperation for the foreseeable future. This in turn raises questions as to why Northeast Asia's governments have difficulty cooperating beyond socio-economic development and diplomatic statements. The answer lies in the foundations of their political legitimation and the domestic and international structures to which they contribute.

Born out of decolonization struggles and deeply conditioned by the Cold War, Northeast Asian nation-building has continued along the same path. The elites in power – more often than not related to those directly involved in past wars – have sought to catch up with the West by promoting economic growth as an overarching national purpose. In this environment, the US as the torch-bearer of modernity has been the single point of reference.

The nationalist projects of state-led developmentalism have achieved their objectives in Japan, South Korea and Taiwan. As governments grapple with the adverse consequences of developmentalism – unequal distribution of income, large-scale environmental destruction, rural decline, rapidly ageing societies – they gradually come to understand that what is required are fundamentally adjusted political systems. The processes of Schumpeterian "creative destruction" combined with the reluctance of elites throughout the Asia-Pacific to shed their old ways of thinking, however, complicates the search for new modes of economic and political governance.

Accordingly, it may well be that the discourse of East Asian regionalism – the telling and retelling of the tale of regional cooperation's evolution along the path of institutional development – is far more important than the regional institutions themselves. This is because the evolutionary tale is composed of stories of regional cooperation that counterweigh and potentially replace the nationalist narratives that created the traditional security problems.

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