

2007-E-1

The Idea of New International Order China Is Seeking and East Asia Community

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December 2007

1. Issues

A spirited debate is underway in the Asian region over the institutionalization of mechanisms for regional cooperation and integration. (1) Needless to say, specific efforts are also being vigorously pursued in relation to this debate, with a particular focus on the economic realm. This situation can surely be viewed as a part of the global trend toward the parallel evolution of globalism and regionalism. In simple terms, the Asian region in modern times had always been compelled to respond passively to impacts from the West or to developments in international politics brought about by Western impacts. It can be argued that economic cooperation in East Asia today has also made headway, under the encouragement of economic globalization as well as moves toward regional integration in Europe (the European Union, or EU) and the North American free trade area (the North American Free Trade Agreement, or NAFTA).

However, present developments also have aspects that are clearly different from the situation prior to the 1970s. The prominent difference is Asia's own initiatives to build mechanisms for regional cooperation, on the basis of accomplishments by the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC) forum. The former was instrumental in having Southeast Asian nations themselves build original frameworks and procedures, later to be called the "ASEAN WAY." The latter came into being arguably at the initiative of Japan and Australia which were "border state" and felt "identity crisis," but the "ASEAN WAY" proved to be the major modus operandi for APEC as well. In the 1990s, ASEAN took in Vietnam, Laos, Cambodia and Myanmar to become literally the association of the nations in Southeast Asia, and also established the ASEAN Regional Forum (ARF) as a mechanism for security dialogue, incorporating 20-odd countries. Further, in the latter half of the 1990s, the framework of "ASEAN + 3" (ASEAN plus Japan, China and South Korea) began to function, and amid these developments, ASEAN and China, and ASEAN and Japan agreed to conclude free trade agreements (FTAs) in the future, accelerating moves toward the institutionalization of mechanisms for regional cooperation.

However, moves toward regional integration in Asia are clearly different from those in Europe in the following ways. First, Asia is still at a fairly low stage of development in terms of

the institutionalization of regional cooperation. Second, it has clear diversity in terms of the size of states, stages of economic development, political system, social and cultural levels of life, values, ethnicity religion and so on. Third, the mechanisms for regional cooperation developed so far are heavily skewed to the economic realm. Fourth, at least at the present stage, regional integration in Asia, even at the conceptual level, presupposes a framework of national sovereignty or nation states, and no ideas have yet been floated in the direction of lowering or even destroying these national barriers (although it is also true that there are some developments that in practice transcend national borders). Fifth, the overall framework and the way toward regional integration still remain foggy and uncertain. In such sense as EU, regional integration in Asia is still nothing more than just an idea or an issue for debate. At the same time, however, given a variety of actually functioning and increasing mechanisms for regional cooperation, regional integration in Asia is not just an impractical theory but rather an idea of practical significance.

Amid these developments, with what characteristics can the recent moves toward regional integration in Asia be described? Before going further into this discussion, it may be necessary to note beforehand that in ASEAN Malaysian Former Prime Minister Mahathir Mohamad advocated the idea of an East Asia Economic Group (EAEG) in 1991. Also, since 1997, specific moves have emerged toward building a mechanism of regional cooperation in East Asia. After the International Monetary Fund (IMF) or APEC by and large failed to respond effectively to the Asian monetary crisis, understanding emerged for the need for Asian countries to enhance their problem-solving capacities independently, rather than being led by the United States. Specific ideas in this direction include the "Asian Monetary Fund (AMF)" advanced by Japan, and the formation of the "ASEAN + 3 (Japan, China and South Korea)" framework. The ASEAN + 3 Summit, held in Manila in 1999, issued the "Joint Statement on East Asian Cooperation," with then Philippine President Joseph Estrada already talking about the idea of an "East Asian Community." South Korea were quite positive toward these ideas about regional organization, and South Korean President Kim Dae Jung, at the ASEAN+3 Summit meeting in December 1998, proposed the establishment of an "East Asian Vision Group (EAVG)." Then, at the ASEAN+3 Summit meeting in November 2000, he called for the establishment of the "East Asia Study Group (EASG)."

As seen above, it is important to note that the ASEAN nations, along with Japan and South Korea, have basically been making forthcoming and positive efforts toward building an EAC. At the same time, however, the biggest feature of this period was that China, with the backing of sustained economic growth and expanding comprehensive national power, launched active efforts to build a mechanism for regional cooperation in Asia. In addition to the experience of the "Asian monetary crisis," it had become increasingly aware of the direct threat from the United States with the bombing of the Chinese embassy in Yugoslavia and other incidents, and became actively engaged in efforts to build a regional sphere in Asia over which it could wield influence. Thus, the biggest point in this regard is how to interpret China's strategic ideas about Asian regional cooperation. This issue will be discussed in detail later.

China has been particularly active in this area in recent years. For example, it forged a strategic partnership with ASEAN in 2001 and began to move toward FTAs, and in 2003 joined the Treaty of Amity and Cooperation in Southeast Asia (TAC). China has also taken a positive stance toward making the ASEAN+3 Summit into regular annual meetings. In other areas, it has taken the initiative in institutionalizing such meetings as the Shanghai Cooperation Organization (SCO), which includes Central Asian countries as well as Russia, and the six-party talk on the North Korean nuclear issue. It is also actively involved in the Greater Mekong Subregion development and economic cooperation plans (GMS). What lies ahead of all these initiatives and developments is the "East Asia Community (EAC)." Thus, while the EAC surely is intimately tied to ASEAN and APEC, the idea is not a simple extension of these regional groupings. In light of this, two issues will be discussed below: the first is China's strategy for an East Asian order, and the second is, given China's strategy, how to understand the idea of the East Asia Community.

2. China's National Strategy and Asia-Oriented Foreign Policy

Crucial changes in China's national strategy and foreign policy strategy were articulated at the 16th National Congress of the Communist Party of China, held in November 2002. The national strategy adopted at the party congress first called for the "Great restoration of the Chinese nation" and put forth the goal of realizing an all-round "well-off society" by

quadrupling gross domestic product (GDP) between 2000 and 2020 to more than \$4 trillion. This goal meant that China would seek to rank with Japan in terms of the overall size of its economy and bring its per-capita GDP up to the level of a middle-income country. When China, which has already become a "big power" in politics and military, announces the intention to rank with the world's No. 2 economically as well, it is tantamount to declaring the intent of seeking to become the world's second power, next only to the United States, both in name and reality.

What, then, are the characteristics of the external strategy China intends to pursue under the above-described grand strategy? The changes in China's foreign policy made at the 16th Party Congress can be summarized as follows. First, compared with the 15th Party Congress, greater emphasis was laid on the advocacy of world peace and the promotion of co-prosperity. This is linked to the idea of the so-called "peaceful rising," proposed in 2003 by Zheng Bijian, vice president of the Central Party School (described in more detail below). Second, it gained a greater sense of participation in the international society as a "responsible power," and became more enthusiastic about participating in international affairs, in order to seek harmonious coexistence between countries with a varied degree of strength without seeking the status of a single dominant nation. Third, it sought to expand and enrich the scope of areas of cooperation in order to enhance the effects of cooperation.⁽²⁾ This third point indeed is directly linked to the promotion of regional cooperation in East Asia, and will be considered more thoroughly later.

It appears that an important change took place in China's basic perception of the international structure, a factor that needs to be taken into account in considering the shift in China's external strategy. As is well known, China essentially viewed the basic structure of international society in the post-Cold War period as a "period of transition from unipolar system to a multipolar system." The "poles," needless to say, mean "big power nations," and China believed that the basic way for stabilizing the international order would be a process of adjustment and balancing between the plural poles. This was China's "perception" but at the same time was a "strategy of multipolarization" in the sense that China wanted to avoid the United States becoming the "unipolar, or single power hegemony" and sought to build a new international order through concert among three or more powers (poles) that were relatively

close in strength. At present, China does not reject the idea of the multipolarization itself, but it appears that it is beginning to change the meaning of the term significantly. For example, Wang Yi, Vice foreign minister and former ambassador to Japan, characterizes the shift in the "perception of multipolarization" as follows. Instead of viewing multipolarization as a system of adjustments among powerful nations, China now: (1) embraces the idea of harmonious coexistence of countries with varying degrees of strength, (2) regards developing countries as important factors of the multipolarized structure, and (3) considers multipolarization as an objective trend but seeks "equality and cooperation, and harmonious coexistence" among countries.⁽³⁾ Yie Zicheng, Professor of Peking University also pointed out that "the idea of multipolarization included opposition to hegemonism and unilateralism by the United States."⁽⁴⁾

What brought about these changes in China's perception of the international structure and its strategy? Needless to say, the first factor behind these changes was the shift in China's perception of its own strength following the significant increase in its "comprehensive national power" with economic background that has shown sustained growth for over a quarter of a century. In the era of former strongman Deng Xiaoping, China indeed was "still a small country with little strength" and its basic approach was "defense was the main foreign strategy." Today, however, China, as it grows out of this "passive" approach, has come to view itself as having acquired the strength to participate in international society "at its own initiative and more actively."

Secondly, however, the increased awareness of its own power has tended to increase China's awareness of the threat from the United States. After seeing the dramatic advances in the United States' high-tech military capability in the Gulf War, the Afghan War and the Iraq War, and in the wake of the afore-mentioned bombing of the Chinese embassy in Belgrade and the April 2001 incident where a U.S. reconnaissance plane was forced to land on Hainan Island, China became keenly aware that the United States is the only nation capable of mounting a serious strike against it. In the United States, there is a persistent view, particularly among hardliners, that China remains a "potential enemy." Shi Yinghong, professor of People's University underscores China's apprehensions about the United States by pointing out that "in the last two or three years, particularly after the 9/11 terrorist attacks, the supremacy and

hegemonistic posture of the United States have reached unprecedented levels. Also, the U.S. tendency to seek to prevent China from acquiring strong military power and international political power is unprecedented.⁽⁵⁾

Further, the third factor is the steady spread of a way of thinking toward international cooperation among China's policymakers, advisers and academic circles. They increasingly argue for a structure of multilateral and regional interdependence and mutual development to replace the power politics approach that forms the basis of the "polar structure." The reasons for these developments are: (1) With China itself integrated into the structure of international interdependence, mainly economically, as well as into the framework of international "dependent co prosperity," China has come to the strong realization that international economic cooperation provides the foundation for its development and the expansion of its comprehensive national power; (2) liberalism has emerged and gained growing influence among researchers in China's think-tanks, policy advisers and scholars in international relations, particularly among those with experience studying in Western countries; (3) China is taking initiatives as a "responsible power" with the principle of respect for international cooperation, and (4) at least over the short and medium term, China is sticking to a cooperative approach as its strategy toward the United States, considering that its current policy priority is to convey the importance of China-U.S. cooperation in the fight against terrorism and the six-party talks on the Korean Peninsula, not to give an excuse to the United States to take a hard-line stance toward itself, and to draw the United States into its strategy toward Taiwan as a means to isolate Taiwan.

China began to question the effectiveness of the idea of multipolarization, and is now sticking to the cooperative approach toward the United States while feeling increasingly threatened by it. In this context, China's policymakers began to move toward the idea of turning East Asia into a regional space as a sort of an entity with common interests that reflects China's intentions and interests. This led to the birth of the concept of an "East Asia Community" in line with the Chinese thinking. This issue is discussed in detail below.

3. The Concept of the East Asia Community for China

Up to now, China's foreign policy has consisted of the basic principle of dividing and dealing with between specific problems through bilateral negotiations with the opponent involved and a global grand strategy (for example, the "Three World theory," meaning a strategy against hegemonism, the "Big Triangle theory," referring to a power game among the United States, the Soviet Union and China), and there was a lack of ideas for an intermediate strategic space between the two. However, as mentioned earlier, China began to actively seek to establish mechanisms for cooperation with neighboring countries and areas from around 2000. As a strategic reason for this, since the 16th Party Congress, it came to regard East Asia clearly as an important strategic region, or strategic space. This recognition was explicit in Wang Yi's statements such as "make friends with neighbors and make neighbors partners" and "neighboring countries form the most important foothold for China to defend its sovereignty and interests and play an international role."⁽⁶⁾ Another paper emphasizes that "Giving priority to multilateral mechanisms in the Asia-Pacific region should contribute to establishing a strong foothold for China to advocate the solidarity and mutual assistance of Asian countries and to defend the sovereignty and interests of our country...China will have powerful backing if it can forge friendship with neighboring countries, stabilize the areas surrounding it and promote cooperation in the region."⁽⁷⁾

These arguments developed into the idea of an "East Asia Community." Men Honghua, associate professor at the Central Party School, pointed out that "strengthening cooperative and collaborative relationships with neighboring countries was the most important objective in China's geopolitical strategy. China should establish the leading position in economic cooperation with neighboring countries and promote the 'integration of East Asia' through economic cooperation."⁽⁸⁾ Ruan Zongze went as far as emphasizing that "diplomacy toward neighboring countries is a new thinking" and "China's position in economic cooperation in East Asia stands out, and the scale of the market it can provide for East Asia exceeds that of Japan," adding that "China and neighboring countries are developing and prospering as one and beginning to share a common destiny."⁽⁹⁾

In 2004, moves were launched at the government level to promote the "East Asia

Community.” In April, the Institute of Diplomacy, which is affiliated with the Ministry of Foreign Affairs sponsored a symposium on the “East Asia Community,” at which then Vice Foreign Minister Wang Yi delivered a keynote speech. In that speech, he put forward China’s strategy, in a very cautious but comprehensive way. He emphasized: (1) there is no need to define the significance of the East Asia Community prematurely, and for the time being, China will focus on economic cooperation and proceed steadily with security dialogue and cooperation; (2) China will support the leading role of ASEAN, and at the same time China, Japan and South Korea will try to make use of their advantages and play the greatest roles possible; (3) China does not think that China and Japan are vying for leadership and hopes to see the development of regional cooperation in East Asia through China-Japan cooperation; and (4) China will place weight on dialogue and cooperation with outside countries such as the United States and practice “open regionalism.” At the ASEAN + China meeting, held in Qingdao in June, Chinese officials described the realization of the East Asia Community as the long-term objective of East Asian cooperation and emphasized the need to hold a summit meeting of East Asian countries and China’s support for the leading role to be played by ASEAN. Further, at the ASEAN + 3 Summit in Jakarta in July, Foreign Minister Li Zhaoxing in his remarks reemphasized the above-described points.⁽¹⁰⁾

Outside of the economic realm, what moves is China making concerning the “integration of East Asia” (the community)? One such move is related to the issue of identity. At the level of “social integration theory,” the above-mentioned “actually progressing (economic) regional integration” should be interpreted absolutely in a functional context, and the expansion and institutionalization of functional integration does not necessarily result in a “community.” Integration in terms of social structures cannot be said to be making “progress” and is only at the stage of “signs.” Under such circumstances, the idea of “building a common home for Asia” which China has been espousing since around 2000 merits some attention. Subsequently, experts from many countries have put forth ideas for “a common home of Northeast Asia” and “a common home of East Asia,” with several activities actually under way to realize these ideas.

In a sense, these moves may indicate the beginning of an approach toward what Benedict Anderson calls the “awareness of ‘we’” that is to be created through languages of ethnic

groups, religious rites and cultural activities, or the process of vaguely condensing "something envisaged as an image," that is, the creation of "imagined political communities." However, as is well known, the structure of the identity of East Asia is not so simple that it can be explained by the single term "multi-layered." It is an "intricate situation," where national identities, ethnic identities, religions as supranational identities are found and despite some forms of elite identities chaos is common among ordinary people.

Moreover, there is an unavoidable problem in addressing the "Chinese identity" though China is potentially the biggest comprehensive identity. If the "Chinese nation(中華民族)" with its population of over 1.3 billion forms a cohesive identity, it becomes the core identity, overwhelming Japan (130 million), South Korea (47 million) and ASEAN (a little less than 500 million). Moreover, if its identity as Confucian culture (Chinese culture) is pursued, it covers all of Northeast Asia and Vietnam. Is the "common home of Asia" idea as proposed by China based on this Chinese identity? Certainly, there are some scholars in China who argue for that kind of Chinese identity.

However, as long as the identity is defined as an "awareness of 'we'" that is formed endogenously through certain activities, the idea of a "common home of Asia" cannot be considered the same as the "expanded Chinese identity." In fact, it is common knowledge that there is a serious and widening identity rift between mainland China and Taiwan, both of which can be described as the same Chinese nation. Moreover, the problem of the identity of ASEAN itself, which has grown into a stable organization for regional cooperation following many twists and turns since its inception in 1967, cannot be made light of either. Thus, the formation of a "common home of East Asia" (the identity) corresponding to the economic EAC is still in a process of groping.

Another important non-economic matter involves ideas and developments regarding regional cooperation in the area of security. Developments in the past couple of years show that China is eager to build a mechanism for East Asian regional cooperation in the area of security as well as economy. For example, though the statement has only a symbolic significance at present, in the summer of 2003 China expressed its intention to join the Treaty of Amity and Cooperation (TAC) and in July 2004 the ASEAN Regional Forum (ARF), Chinese Foreign Minister Li Zhaoxing stated China would "actively participate in regional security

cooperation” and proposed the holding of a first meeting of security policy in China, which the ARF officially accepted. China has also taken the initiative at the six-party talks on the Korean Peninsula nuclear problem, which began in August 2003. In fact, China is seeking to turn the six-party talks into a future permanent forum, the “Northeast Asia Security Organization” (overseas edition of the People’s Daily, August 30, 2003) and to build a “peace mechanism” that also covers non-traditional security issues (White Paper on Diplomacy, 2004). The Shanghai Five, though it does not design for East Asia, formed in 1996 with the objectives of monitoring and exchanging information on independence movements of ethnic minorities and the promotion of economic cooperation, evolved into the Shanghai Cooperation Organization (SCO) in 2001, which since 2003 year also covers security cooperation such as joint military exercises.

Why, then, did China change its policy and start eagerly to seek the establishment of a “regional community”? The establishment and development of a framework for regional cooperation in East Asia would: (1) allow China to develop stable economic interdependence with neighboring countries to promote mutual benefits in economic development and to respond through cooperation with other countries to economic attacks (including the precedent of the Asian monetary crisis in 1997) from the outside (particularly the United States), and (2) contribute to the realization of the “Great Restoration of the Chinese nation,” the priority goal of China’s national strategy. The key point in (2) is for China to win the appreciation and respect befitting a leader of international society while maintaining the national power to allow it to spurn the imposition of other countries’ intentions.

However, going beyond that, China seems to be also seeking: (3) to build a “framework for an East Asian order” of its own that could influence the international society as a whole in the future. Before anything else, if the East Asian region as a whole can increase its comprehensive strength as a regional bloc and if China can take the initiative in the region, though initially in a restrained manner, it would be able to acquire the capacity to avoid China bashing (e.g., the bombing of the Chinese embassy in Belgrade in 1999) and interference in domestic affairs (Tibet, Taiwan, democratization and so forth) by the United States. In the longer perspective, however, it appears that China thinks it may be able to destabilize the “hegemonistic order imposed by the United States alone” that China has never fundamentally accepted. China seems to design the establishment of a three sphere-oriented international order (North

America led by the United States + the EU + the East Asia Community) in the future, over a certain period of time (perhaps over 10 to 20 years).

For example, Zhang Yunling, director of the Institute of Asian and Pacific Studies of the Chinese Academy of Social Sciences, made the following remarks at a round-table discussion on "regional cooperation in East Asia and the United States": "We do not need the United States for regional cooperation in East Asia. We are not saying that its existence is not important. We are trying to find our own independent way of cooperation in economics, politics and security in the East Asian region. For example, needless to say, the United States is not in the European Union (EU). Still, the United States and EU maintain relations. In U.S.-Europe relations, the United States is a member of the North Atlantic Treaty Organization (NATO). I think an ideal for relations between the United States and East Asia would be the relationship that exists between the United States and Europe. To achieve that sort of relationship, first, we have to firmly establish a system of cooperation in East Asia."⁽¹¹⁾

Admittedly, whether Zhang Yunling's ideas are commonly accepted in China needs to be examined further. For example, his ideas sound slightly different from the above-mentioned keynote speech by Wang Yi. However, as pointed out earlier, China is fundamentally raising an objection to the "unipolar hegemonistic order" imposed by the United States, and previously advocated "multipolarization" to back up this opposition. But this opposition is not as effective as China might have hoped. Given this, however, it would not be so off the mark to judge that China is setting its sights on a new "three sphere-oriented order." Besides, its emphasis on ASEAN's leading role sounds more like just a compliment to ASEAN nations. In reality, China-led moves are actively underway toward the establishment of mechanisms for regional cooperation, such as FTAs with ASEAN, the creation of the SCO, the six-party talks on North Korea, and the proposal for a Northeast Asian security organization. Needless to say, China is taking advantage of its status as the only permanent member of the U.N. Security Council from Asia to push its own initiatives for the promotion of regional cooperation.

4. Coordination of Regional Integration in East Asia and Alliance Politics

- Japan Holds the Key

How are other countries in Asia responding to China's moves toward the establishment of an organization for regional cooperation in East Asia, and what influence are China's moves to have on the regional order in the Asia-Pacific region? Before examining these issues, the region's extremely disproportionate structure in terms of the size of states needs to be recognized. The table below compares China, Japan, South Korea and ASEAN in terms of territorial area, population, GDP and per-capita GDP.

	10,000km ²	Population (mil.)	GDP (US\$100 mil.)	Per-Capita GDP (US\$)
China	960 (66%)	12.9 (64.5%)	14,100 (20.6%)	1,090 (2.5%)
Japan	38 (2.5%)	1.3 (6.5%)	44,500 (65%)	32,610 (74.3%)
South Korea	10 (0.5%)	0.5 (2.5%)	4,339 (6.3%)	8,982 (20.5%)
ASEAN (10)	448 (30%)	5.3 (26.5%)	5,553 (8.1%)	1,164 (2.7%)

Within the ASEAN10 + 3, China commands an overwhelming share of about 65% of both area of territory and total population. In terms of GDP, Japan accounts for 65%, Japan and China combined account for a little over 85%, and Japan, China and South Korea combined account for about 92%, indicating that the share of Northeast Asia is far larger than that of Southeast Asia. Whatever institutional framework is built, the disparity of this magnitude is likely to be of extreme significance in considering the role and influence of each component member of the East Asia Community.

In retrospect, the idea of the East Asia Community without the United States dates back to the "East Asian Economic Group" (EAEG, later EAEC) proposed by Malaysian Prime Minister Mahathir in 1990. The United States strongly opposed the idea, and Japan's cool response following the U.S. opposition effectively shelved the scheme, but the idea was clearly the prototype of the "East Asia Community" under discussion today. Learning from the experiences of the "Asian monetary crisis," ASEAN leaders are now hoping to boost the "Asian regional economic strength" by strengthening economic relations within Asia and also to maintain

ASEAN's initiative in dealing with the two big regional powers of China and Japan. South Korea, for its part, has proposed and actively promoted the EASG (East Asia Study Group) and EAVG (East Asia Vision Group), both advocated by President Kim Dae Jung, and taken a positive toward the establishment of the "mechanism for Japan-China-South Korea cooperation." However, it is also true that these countries and areas entertain concerns and a sense of vigilance against a sudden strengthening of China's leadership. Thus, for them, Japan's presence is essential.

How does the United States view moves toward regional cooperation in East Asia? At a seminar on China in Washington on May 16, 2002, cosponsored by George Washington University and the Japan External Trade Organization (JETRO), former U.S. Ambassador to China J.S. Roy emphasized that the United States would accept "East Asia's regional economic integration as long as it does not discriminate against the United States." On the other hand, he voiced deep-rooted concern about China, saying "the rising power of China might destabilize Asia's politics and the economy, or China might make the same mistakes as Germany and Japan did in the past."⁽¹²⁾ His statements probably reflect a common perception among Americans. Thus, it can be argued that Japan's initiative is crucial in ensuring that the regional integration of East Asia is "not discriminatory but is mutually beneficial and cooperative" for the United States.

Meanwhile, the strategic position of Japan is believed to have risen considerably within China's own strategy. Prof. Shi Yinong of the Chinese People's University, who attracted a lot of attention for his call for new thinking toward Japan, argued that "it is not enough for China to give top priority to its relations with the United States and maintain good Sino-U.S. relations. . . . It is necessary to reduce China's passivity toward the United States and strengthen its diplomatic leverage toward it" and "Japan has a population of over 100 million people as well as world-class economic might and cutting-edge technology, and thus has all the necessary conditions for becoming a military power. . . . The forging of closer ties between China and Japan is very important. China will not be able to sustain itself if Japan becomes hostile toward China, in addition to the United States, Taiwan and potentially India."⁽¹³⁾ Thus, it would be strategically natural for China to try and encourage Japan to decrease its cozy ties with and dependence on the United States and gain relative independence. Moreover, China

apparently sees Japan as an essential participant in the economic integration of East Asia, since non-participation by the world's second largest economic power would substantially undermine the international presence and impact of any such integration.

Then, where does Japan itself stand? From the very beginning, Japan was enthusiastic about regional cooperation. For example, around 1980, Prime Minister Masayoshi Ohira proposed the "Pan-Pacific Concept." In 1989, Japan, together with Australia, advocated the establishment of APEC. In 1997, at the ASEAN meeting with dialogue partners, Prime Minister Ryutaro Hashimoto proposed the ASEAN+3 framework. Despite all these initiatives, Japan was rather cautious toward the idea of a "community" limited to East Asia, due to its consideration for its alliance with the United States and its concern over the potential threat of China. However, in November 2001, in light of China's very aggressive strategy for regional cooperation, including its "accord with ASEAN nations to conclude FTAs within 10 years," Japan began to worry that China's initiatives could sweep in not only ASEAN but the entire East Asian region if Japan stood by doing nothing. Thus, it came to positively respond and promote "real progress" in economic regional cooperation. It then embarked on the building of an EAC as an effort to rebuild its own initiatives.

In 2001, the Ministry of Economy, Trade and Industry put forth plans for an "East Asia business area" and "East Asia free trade area." The "East Asia free trade area" scheme envisioned the formation of a free trade region made up of ASEAN countries, which have a low percentage of intra-ASEAN trade and high dependence on external trade, along with Japan, the newly industrialized economies (NIES) and China. The concept also assumed improved conditions for economic integration in such areas as technical cooperation and financial assistance, which could be expected to give a further boost to the formation of the "free trade area." In November 2002, at the ASEAN + 3 Summit, it was decided to create a working group to prepare for the establishment of the "East Asia free trade area." At the same meeting, the region's leaders also agreed to the Chiang Mai Initiative for currency swap arrangements as a precautionary step for any recurrence of the monetary crisis, showing steady progress in moves toward regional economic integration. Japan also reversed its previous reluctance and began to positively consider the conclusion of bilateral FTAs with ASEAN nations. Then, at the Japan-ASEAN Summit meeting in Tokyo in late 2003, it officially declared its intention of

seeking to build an "East Asia Community."

Japan's stance toward economic integration in the region is as outlined above, but Japan remains lukewarm toward the idea of building a mechanism for regional cooperation in the area of security. Needless to say, its security strategy is based on the Japan-U.S. alliance, and it remains extremely cautious toward anything that could loosen that framework. Rather, there exists a strong school of thought that argues that given the problem of North Korea's suspected development of nuclear weapons, China-Taiwan relations, and the potential future threat from China, Japan's fundamental security policy should be to strengthen its alliance with the United States. The formulation of new defense cooperation Guidelines and its decision to participate in the U.S.-led missile defense scheme apparently represent the concretization of this line of thought. Thus, the basic stance of the current Japanese government may be summed up as being positive toward the facilitation of regional economic integration but not considering regional integration for security.

Finally, we will look at how moves toward regional integration in East Asia, with a rising China as the biggest agent, should be interpreted in relation to the region's existing order revolving around the Japan-U.S. alliance, by seeing these moves as a process of establishing a new regional order for East Asia and further for the entire Asia-Pacific region. Two interpretations are possible.

The first is an interpretation using a "zero-sum" game-like approach from the perspective of power politics. It regards the "rising China" and the "three sphere-oriented new order" of the EU, North America and EAC revolving around the rising China as an inherent threat to the Japan-U.S. alliance and the existing regional order in Asia, and argues that in light of the reality of progress in economic integration, the East Asia Community should function as a framework for reining in China's initiatives. China is well aware of this deep-rooted attitude in Japan and the United States. Shi Yinhong, in his earlier-quoted article, notes, "the 'diplomatic revolution' designed to contain U.S. influence through Sino-Japanese cooperation is certainly not acceptable for Japan and would only augment its sense of vigilance." At the same time, it is true that China similarly entertains a sense of vigilance against the Japan-U.S. alliance. Feng Shaokui, an expert on Sino-Japanese relations, discussing the East Asia Community in *Shijie Zhishi* (World Knowledge), Vol. 10, 2004, emphasized that "Japan should heed that the

Japan-U.S. security does not include any part of targeting China, directly or indirectly.”⁽¹⁴⁾

The second interpretation maintains that, beyond the acknowledgement of “zero-sum” game-like realities, “new East Asian order” is becoming an important issue caused by rapid development of mutual and complex interdependence and today’s arguments of East Asia community should be dealt with in this context. As discussed in the early part of this paper, the trend in the economic realm clearly points to a deepening of this structure of interdependence. In the area of security, however, the creation of a new security mechanism is clearly needed, considering the six-party consultations on the Korean Peninsula, the accession by Japan, China and India to the Treaty of Amity and Cooperation in Southeast Asia (TAC), and human security in such fields as the fight against terrorism, energy, food and the environment.

China itself cannot rule out a “threat from the United States” and consequently a threat from the Japan-U.S. alliance, making it almost impossible to free itself from the first approach of power politics. However, it seems to be actively seeking ways to fundamentally facilitate the formation of the “East Asia Community” following the second approach.

Several statements and actions can be used to shed light on this line of thinking. The “peaceful rise” theory, first voiced by Zheng Bijian, Chinese co-chairman of the 21st Century Committee for Japan-China Friendship and former vice president of the Central Party School, at the Boao Forum for Asia in November 2003, was indeed intended to dispel other countries’ concerns about the “China threat,” and Zheng emphasized that China would never pose any political or military threat to other countries. Meanwhile, Feng Shaokui, who was cited earlier, argued that “no major country in the region should create fear in smaller countries, and no major country in the region should regard smaller countries as within its sphere of influence. . . . Both Japan and China need to recognize that any model of East Asian cooperation ‘dominated by any particular country’ would turn sour.” He also said that “all major countries or powers in the region should ‘match their words with action’ and expressly declare their national intentions and determination to uphold the universal principles of ‘peaceful development’ and ‘peaceful rising’ toward other countries in the region as well as to the entire world.”⁽¹⁵⁾ His references to “peaceful development” and “peaceful rising” may be construed as a message to the Chinese government.

In the first half of the 1990s, the author personally became involved in a debate with Feng

Shaokui over the idea of a "Chinese threat." It seems not long ago that while Feng emphasized that "China will not become a threat in any way as it will follow the royal road of diplomacy(王道)," the author contended that the "royal road approach itself is problematic because it places China above other countries, toward which China will look down." The fact that the same speaker who once defended the royal road for China's diplomacy is now calling on China to declare its intention to seek "peaceful development" may be viewed as a sign of the important changes that are taking place in China.

For many years, while China defined itself as "a member of the socialist camp" and "a member of the Third World," using subtitles such as "the second biggest country in the socialist camp" and "in the vanguard of the Third World," it was not associated with an horizontal identity such as "a member of Asia." China began to describe itself as "a member of Asia" only in recent years. An important benchmark for the realization of the "East Asia Community" concept, as argued by Feng, appears indeed to be an approach for creating an identity for China as "a member of Asia" and "a common home of Asia."

Another important feature is perhaps the approach to the "Taiwan issue," a subject that was barely addressed in this paper. A careful examination of China's idea of "East Asia Community" unmistakably reveals its consistency in the "exclusion of Taiwan" even in economic areas. It may be argued that China's drive for regional cooperation in East Asia has a motive of "isolation of Taiwan" under the surface. Moreover, the Taiwan problem may be described as the key arena where a close contest is being fought between the maintenance of the "hegemonistic order under the single superpower," by the United States, and the "idea of a new order" advocated by China in challenge to the U.S.-imposed order. Thus, if the second interpretation of a "East Asia Community" is to be pursued, China will naturally be required to apply the approach of "new thinking" to the handling of the "Taiwan issue" as well.

The regional integration in East Asia should be considered as a process of creative thinking and practices by Japan or China in response to the questions of how they recognize the present stage of the region and how they envision the future shape of the region, and what regional mechanisms they think will be needed to help realize the peaceful stability and prosperity of the region. In particular, it is no exaggeration to say that Japan has a crucial role to play in

accurately analyzing the potential and problems associated with the regional integration of East Asia, listening to China's recent arguments, and ensuring that the steady and appropriate institutional harmony can be achieved through a variety of processes needed for regional integration. If the integration moves forward along the lines of the above-described crucial roles for Japan, it will probably bring with it fundamental changes in the way China operates and a crucial shift in Japan-China relations.

Notes

- (1). Though the author will not list all their names, many scholars and researchers have already addressed the issue of "regional integration" from various angles. In this paper, "regional integration" indicates an orientation toward some form of regional integration in between nation states and a globally integrated system, and practices toward that goal, while seeking to build comprehensive frameworks of cooperation at respective stages ranging from functional developments in the economic, political, social and other specific fields to such aspects as identity of "awareness of 'we'" and institutionalization.
- (2). Zhongguo Waijiao (China foreign policy), Vol. 1, 2003, pp. 22-23, Vol. 5, 2003, p. 28.
- (3). Wang Yi, Shijie Zhishi (World knowledge), Vol. 2, 2003.
- (4). Yie Zicheng, "Duizhongguo duojihua zhanlue de lishi yu lilun fansi" (XXX), Guoji Zhongzhi Yanjiu (Research on international politics, Vol. 2, 2004, p. 9.
- (5). Strategy and Management, 2003.
- (6). Wang Yi, Quishi, Vol. 4, 2003.
- (7). Wang Liyong, Dangdai Shijie (Contemporary world), Vol. 4, 2003.
- (8). Men Honghua, Shijie Jingjiyu Zhengzhi (World economy and politics), Vol. 6, 2004, p. 18.
- (9). Ruan Zongze (deputy director of the Institute of International Studies), "Zhongguo Waijiao Chuangzao Heping Jueqi Pingtai" (Constructing the foundation of peaceful rising of China's foreign policy), Liaowang Xinwenzhoukan (Outlook weekly), December 15, 2003 (50th period), p. 15.
- (10). People's Daily Online, 23, June 22, July 2, 2004.
- (11). "Chunichi Kenkyusha Zadankai: Chugoku wa doko e mutau no ka" (Round-table discussion by Japanese and Chinese researchers: where is China headed?" Ronza, February 2003, p. 212.

- (12). Yamada, Yasuhiro, "Higashi Ajia chiiki keizai togo to Chugoku" (East Asian regional economic integration and China), JETRO, Chinese Economic Research Monthly, June 2002.
- (13). "Zhong Ri Jiejin yu Waijiao geming" (Approach between Sino-Japan and revolution on foreign policy), Strategy and Management, Vol. 2, 2003, p. 73.
14. Feng Shaokui, East Asia Community, Xunkan Zhongguo neiwaidongxiang, No. 895, p. 9.
- (15). Ibid, B7, p. 9.

GIARI Working Paper Vol.1,

Dec. 4, 2007

Published by Waseda University Global COE Program

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