



**RUB**

## **“Regional Futures: The Contemporary Conundrum of Regional Integration in East Asia”**

**International Conference “Other 'Horizons of Expectation' in East Asia?  
Generation and Modi of Future Visions in the Past of China, Japan and Korea”  
2nd June, 2018, KU Leuven, Belgium**

**Department for International Political Economy of East Asia  
Faculty for East Asian Studies  
Prof. Dr. Sebastian Bersick, Jean Monnet Chair**

Co-funded by the  
Erasmus+ Programme of  
the European Union



# East Asia's Future Regional Order

- Contemporary East Asia is caught in a dilemma:
  - Expectations of common economic prosperity are confronted with the fear of political and military conflicts
- Example: Territorial conflict in the South China Sea
  - Common interest in economic development and regional integration vs. perception of China as a threat

## East Asia's Future Regional Order

- In IR literature the future regional order in Asia is contested:
  - Conflictual European past will be Asia's future (Friedberg 2000)
  - Formation of a new hierarchy with China as leading power (Kang 2004)
  - Dismantling asymmetries of power by promoting economic interdependence, norms and regional institution-building (Acharya 2004)

*“Asia is increasingly able to manage its insecurity through shared regional norms, rising economic interdependence, and growing institutional linkages.”*

*(Acharya 2004: 150)*

# East Asia's Future Regional Order

- China can be taken as an example to examine current expectations regarding the future regional order and to assess whether economic integration is a feasible approach to shape East Asia's Future
- Chinese government has two major foreign policy visions:
  1. “Asia-Pacific Dream” [Chin.: *Ya-Tai meng* 亚太梦]
  2. “Belt and Road Initiative” [Chin.: *Yi dai yi lu* 一带一路]
- Influence of these visions of regional futures on the development of regional order in East Asia?

# East Asia's Future Regional Order

## Modi to generate future

1. “Expectation Future”: Future is generated by socio-political ideologies, programs, intellectual projects, ideas or technological visions. It creates “collective commitments” (Graf; Herzog 2016: 505)
  2. “Formation Future”: Future is not expected but decided, fixed (ibid.: 508)
  3. “Risk Future”: Future should prevent risks and ensure safety (ibid.: 510)
  4. “Preservation Future”: Future is shaped by preservation and conservation (ibid.: 512)
- “Expectation Future” is most relevant modus of generating the future, because resulting from its political and economic power, China increasingly generates “Expectation Future”.

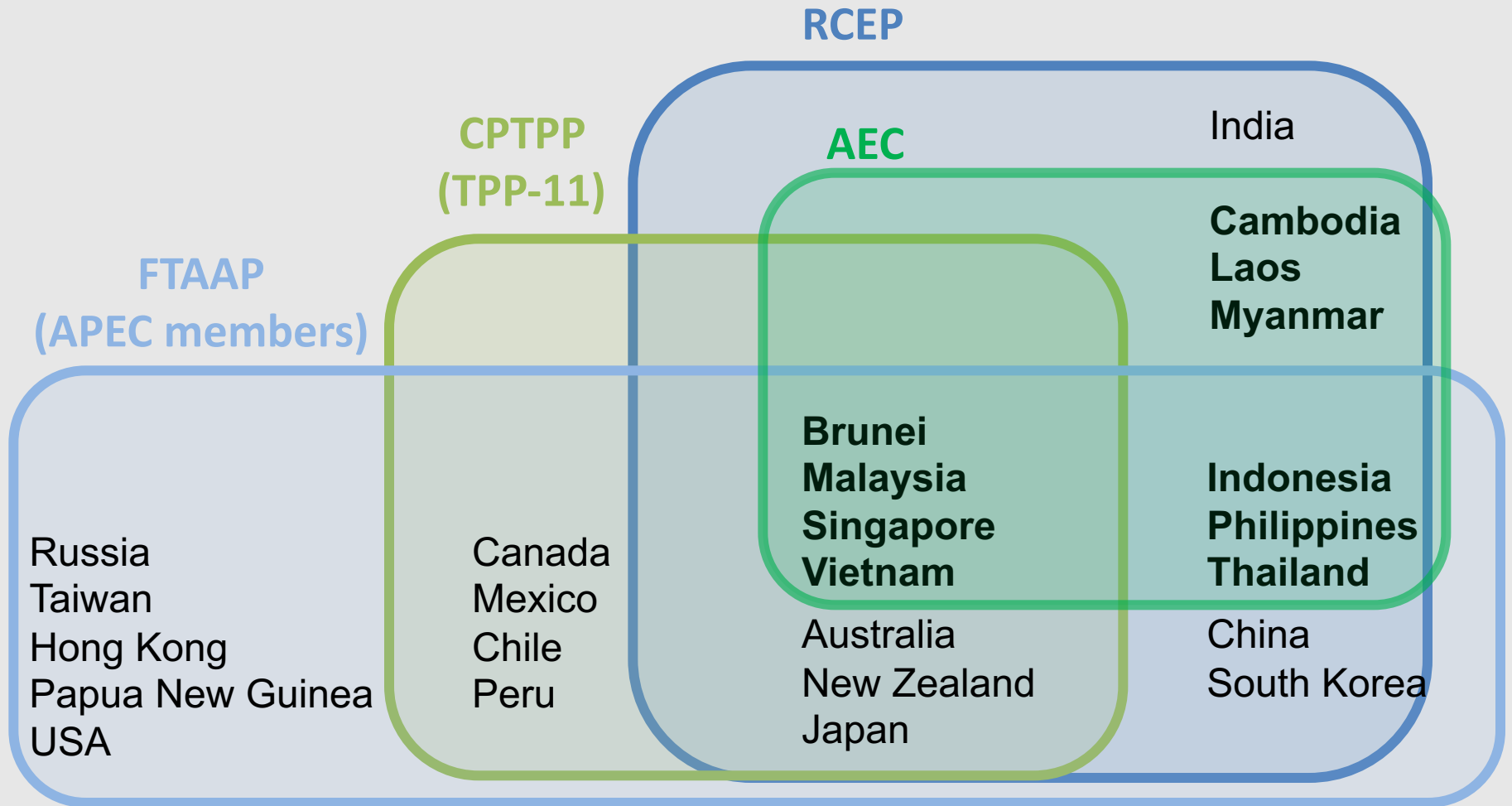
# East Asia's Future Regional Order

- Questions:
  - Is economic integration a feasible approach for East Asia's regional future?
  - Which concepts for future regional architecture do currently exist?
  - How do theoretical assumptions and empirical data support the respective approaches to future regional order?
  - To what extent are current perceptions on East Asia's regional future relevant for a, following up on Graf & Herzog (2016), future "History of the future of the 21<sup>st</sup> Century"?

# Regional Order and Institutions: Overview

- Various institutions of regional economic integration exist with partly overlapping actors
- Four main initiatives:
  1. ASEAN Economic Community (AEC)
  2. Asia-Pacific Economic Cooperation (APEC)
  3. Regional Comprehensive Economic Partnership (RCEP)
  4. Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

# Regional Order and Institutions



*Source: Own illustration based on data from Asia Regional Integration Center Database (ARIC 2018)*



# Regional Order and Institutions

## ASEAN Economic Community (AEC)

- Part of ASEAN Community, est. 2015:
  - Economic, security-political and socio-cultural pillar
- ASEAN is the most advanced project of regional integration in the Asia-Pacific region (Dosch 2016)
- AEC objectives:
  - Establish a basis for common market and production
  - Create a competitive economic region
  - Achieve integration into the world economy

# Regional Order and Institutions

## Asia-Pacific Economic Cooperation (APEC)

- 21 economies, est. 1989:
  - Among others: 10 ASEAN member states, United States, China, Japan, Russia and Taiwan
- Objective:
  - Trade liberalisation based on the principle of voluntariness and the concept of open regionalism
  - Since 2014: Vision of a *Free Trade Area of the Asia-Pacific* (FTAAP) promoted by China

# Regional Order and Institutions

## Regional Comprehensive Economic Partnership (RCEP)

- Negotiations ongoing since 2012
- Objective:
  - Multilateralisation of ASEAN's existing bilateral free trade agreements
  - Merge existing six ASEAN+1 agreements
- RCEP follows the principle of open regionalism, i.e. the “ASEAN way” (Hilpert 2014: 6)

# Regional Order and Institutions

## Comprehensive Partnership Agreement for Trans-Pacific Partnership (CPTPP)

- Signed on 8<sup>th</sup> March 2018 by TPP-11 members; ratification expected end of 2018 or 2019
- Symbolizes political will to deepen and strengthen multilateral cooperation and economic integration in the Asia-Pacific
- Originates from the *Trans-Pacific Partnership* (TPP) (ratification became uncertain when new US president proclaimed US withdrawal in January 2017)
  - Objective: implement comprehensive and legally binding steps for regional economic integration
- CPTPP and TPP are examples for East Asia's departure from principle of voluntariness.

## Role of Norms

- Emphasis on sovereignty and non-intervention hinders development of legally binding economic integration.
- So far, regional economic cooperation and integration in East Asia have been based on:
  - concept of open regionalism, i.e. a voluntary, often unilateral liberalisation without discrimination of non-participant parties
  - ASEAN Way, i.e. a “non-legalistic approach to cooperation” (Acharya 2004: 196): Principle of voluntariness and of non-intervention

# Role of Norms

- Yet, increasing number of legally binding agreements in ASEAN, e.g.:
  - *ASEAN Charta* (2008) requires legal commitment of all member states (Radtke 2014: 97)
  - *ASEAN Extradition Treaty* (ASEAN 2015: 7)
  - *Treaty of Amity and Cooperation in Southeast Asia (TAC)* (ASEAN 2016: 3)
  - *ASEAN Agreement on Transboundary Haze Pollution* (Wong: 2015)

## Role of Norms

- Open Regionalism and the effectiveness of regional economic integration via the ASEAN Way are increasingly challenged within ASEAN and beyond
  - CPTPP-framework will be legally binding after ratification
  - Could eventually result in a *legalistic turn* in East Asia
- Yet, Chinese government opposes this kind of regional economic integration because of:
  - interference with national sovereignty
  - limitation of national scope of action
- Instead, China advocates an open and non-binding economic regionalism, especially regarding its FTAAP vision

# The Role of the PR China

- PR China plays a crucial role for economic integration in East Asia due to its:
  - economic power
  - political power
- Objective of the Chinese government is to create a “global network of regional free trade agreements” (Xi 17.01.2017)
- by means of promoting economic integration via the “Asia-Pacific Dream” and the “Belt and Road Initiative”



# The Role of the PR China

## Asia-Pacific Dream

- Introduced in 2014 by Xi Jinping during APEC Summit in Beijing
- Objective: deepening of economic integration to achieve FTAAP while maintaining the principle of open regionalism:

*“While endeavouring to bring regional economic integration to a higher level and initiate the Free Trade Area of the Asia-Pacific, we should remain committed to open regionalism and work for new and open economic institutions and regional cooperation architecture”*

(Xi 2014)

# The Role of the PR China

## Belt and Road Initiative (BRI) (I)

- Vision of Eurasian economic integration and transnational infrastructure-project with two components
  1. Maritime Silk Road
  2. Economic Belt
- Objective: coordination of economic policies along both routes and creation of free trade areas (NDRC 2015)

# The Role of the PR China

## Belt and Road Initiative (BRI) (II)

- BRI can significantly contribute to shaping future regional order
  - Chinese government promotes institutionalization of cooperation, e.g. via the *Belt and Road Forum* (2017)
- However, implementation of BRI is contested due to:
  - lack of common norms and rules for cooperation among participants
  - concerns about China's new leadership role
  - lack of multilateral mechanisms

## Conclusion: Perspectives for Regional Futures

- China seeks implementation of two visions for future regional order in East Asia: *Asia-Pacific Dream* and *Belt and Road Initiative*
- Mixed picture emerges: regional “integration” and “disintegration” are plausible scenarios.
- Shaping factors of regional futures in East Asia:
  - Economic as well as security developments
  - Uncertainty regarding future role of US
  - Uncertainty regarding future role of China

# Conclusion: Perspectives for Regional Futures

## Perspective: Disintegration

- US withdrawal from multilateralism: unilateral and bilateral turn
- China's increasingly robust strategic assertiveness, e.g. in South China Sea.
- Normative-institutional models of economic integration, whether based on legalistic or non-legalistic approach, are highly contested.

## Perspective: Integration

- Unity among TPP-11 and political will to deepen further economic integration (CPTPP), despite US withdrawal from TPP.
- China supports regional integration via FTAAP, BRI and RCEP.

## Conclusion: Perspectives for Regional Futures

- Impact of Chinese concepts of regional futures on the actual development of regional integration are of increasing importance.
- China pushes for open regionalism (FTAAP, BRI, RCEP).
- China opposes “legalistic turn” by not joining TPP or CPTPP.
- At the same time contestation evolves between China’s “Expectation Future” for regional economic integration (FTAAP, BRI, RCEP) and “Expectation Future” of those actors that favour a “legalistic turn” (CPTPP).
- Will regional futures of economic integration in East Asia develop with dwindling, or even without, US support and in face of increasing economic and security-politico dependence on China?

## Conclusion: Perspectives for Regional Futures

- Yes, because China has become the major agent of “Expectation Future” at the beginning of the 21<sup>st</sup> Century.
- In view of a future “History of the Future of the 21<sup>st</sup> Century”:
  - Mode of “Expectation Future” can explain the generation of regional futures in East Asia.
  - By supporting FTAAP, BRI and RCEP and by using its economic and political power China increasingly shaping the expectations actors have vis-à-vis regional futures.

## Conclusion: Perspectives for Regional Futures

- Yet: Only ex-post analysis will allow to verify or falsify claim.
- Important indicator for test will then be whether Chinese government made a multilateral turn in BRI and a legalistic turn in general.
- The explanatory power of “Expectation Future” will be highest, if China’s normative-institutional visions unfold. It will be lowest, if they do not.



## References (I)

- Acharya, Amitav (2004): “Will Asia’s Past Be Its Future?”, *International Security* 28 (3): 149-164.
- ARIC Asia Regional Integration Center (2018): FTA Database, <https://aric.adb.org/database/fta> (accessed 2018-05-30).
- ASEAN (2015): “Joint Communique of the Ninth ASEAN Law Ministers Meeting (ALA-WMM)”, <http://asean.org/joint-communique-of-the-ninth-asean-law-ministers-meeting-alawmm-22-october-2015-bali-indonesia/> (accessed 2018-05-30).
- ASEAN (2016): Chairman’s Statement of the 28<sup>th</sup> and 29<sup>th</sup> ASEAN Summits, <http://asean.org/storage/2016/08/Final-Chairmans-Statement-of-the-28th-and-29th-ASEAN-Summits-rev-fin.pdf> (accessed 2018-05-30).
- Dosch, Jörn (2016): “Die ASEAN Wirtschaftsgemeinschaft. Überblick für Wissenschaft und Praxis”, Baden-Baden: Nomos.
- Friedberg, Aaron (2000): “Will Europe’s Past be Asia’s Future?”, *Survival* 42 (3): 147-159
- Graf; Herzog (2016): Von der Geschichte der Zukunftsvorstellungen zur Geschichte ihrer Generierung: Probleme und Herausforderungen des Zukunftsbezugs im 20. Jahrhundert, *Geschichte und Gesellschaft* 42 (3): 497-515, <https://doi.org/10.13109/gege.2016.42.3.497> (accessed 2018-05-30).

## References (II)

- Hilpert, Hanns Günther (2014): “Asien-Pazifik Freihandelsgespräche vor dem Finish”, *SWP Aktuell* 75, Berlin: Stiftung Wissenschaft und Politik (SWP).
- Kang, David (2004): “Why China’s Rise Will Be Peaceful: Hierarchy and Stability in the East Asian Region”, *Perspectives on Politics* 3 (3): 551-554.
- NDRC, National Development and Reform Commission (2015-03-28): “Vision and Actions on Jointly Building Silk Road Economic Belt and 21<sup>st</sup>-Century Maritime Silk Road”, [http://en.ndrc.gov.cn/newsrelease/201503/t20150330\\_669367.html](http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html) (accessed 2018-05-30).
- Radtke, Kerstin (2014): “ASEAN Enlargement and Norm Change – A Window of Opportunity for Democracy and Human Rights Entrepreneurs?”, *Journal of Current Southeast Asian Affairs* 33 (3): 79-105.
- Xi Jinping (2014-11-09): “Seek Sustained Development and Fulfill the Asia-Pacific Dream”, Address to the APEC CEO Summit, [http://www.fmprc.gov.cn/mfa\\_eng/topics\\_665678/ytjhzzdrscldrfzshyjxghd/t1210456.shtml](http://www.fmprc.gov.cn/mfa_eng/topics_665678/ytjhzzdrscldrfzshyjxghd/t1210456.shtml) (accessed 2018-05-30).
- Xi Jinping (2017-01-17): “Jointly Shoulder Responsibility of Our Times, Promote Global Growth”, Keynote Speech at opening ceremony of World Economic Forum in Davos, [http://news.xinhuanet.com/english/2017-01/18/c\\_135991184.htm](http://news.xinhuanet.com/english/2017-01/18/c_135991184.htm) (accessed 2018-05-30).