“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”

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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)
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 21st 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)
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
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 8th 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)
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 21st Century.
  - In view of a future “History of the Future of the 21st 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)

References (II)