CHAPTER 2
EUROPEAN REGIONALISM AND REGIONAL COOPERATION IN ASIA

Europe experienced the destruction and deprivation caused by Great World Wars. In the precarious circumstances of the late 1940s, there was general recognition in Europe that states could not simply abandon efforts to protect themselves. Nonetheless, it was also recognized that they could not do so individually and apart from the others. Indeed, a widespread desire to avoid future world wars spawned by European nation-state conflicts played a major part in stimulating increased interest in European cooperation and integration.[1]

Europe has been at the forefront of regionalism since the 1950s and 1960s. During the first wave of regionalism, Europe was divided into East and West. Cooperation mainly depended on the struggle of liberal and socialist ideologies. Back then, regional arrangements were mainly characterized by an intergovernmental cooperation approach. Member states managed to interact by preserving their full sovereignty and authority; and would only cooperate on one or more policy issues as long as they promoted their national interests.

At the same time, the deprivation caused by the Great World Wars reminded European states, particularly France and Germany, to find efficient ways to avoid future wars. One alternative was to subject member states to act according to rules and regulations aimed at promoting the collective interests of the whole region. One of those methods is deeper regional integration by means of intergovernmentalism and supranationalism. The supranationalist approach was initially used in 1951 with a new set of institutions, like the ECSC. Six countries then established the European Atomic Energy Community (Euratom) and European Economic Community (EEC) in 1958. In 1967 these communities merged to form the EC. When the Treaty on European Union (TEU)[2] was ratified in November of 1993, the EC became the

[1] Richard J. Piper, *The Major Nation-states in the European Union* (New York: Pearson Longman. 2005), p. 13.

[2] See Appendix V (Treaty on European Union).

official name for the three Communities. This was the first pillar of the EU.[3] The collapse of the Soviet Union provided an additional incentive for cooperation. This evolved into a regional agreement far beyond the Westphalian state system. It represents the most advanced supranational regional arrangement in the world and may consequently serve as a paradigm for the new regionalism.[4] (See Table 2.1)

Regionalization in Europe has stimulated many regional processes around the world and Asia is no exception. From a historical perspective, however, there was no universally accepted culture or civilization for Asia. The colonization and wars created long-lasting disorders. During independence, many states of Asia found little that binds them together. There was an attempt, however, to create the so-called 'Greater East Asian Co-prosperity Sphere' by Japan in the early 20th century. The use of force as a means to achieve this region ended with the surrender of the Japanese at the end of the Second World War.[5]

During the Cold War, regional cooperation in Asia occurred under extra-regional hegemony and under circumstances influenced by external powers. The main characteristic of cooperation in this period was its focus on either economics or politics. Throughout history, Asia has been largely bridged by the end of the Cold War, and the various regional groupings in other continents. These include the EC in Western Europe and the NAFTA, which have served as stimuli or examples of regional cooperation, regional economic dynamism, and closer economic interconnection.

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[3] The second pillar is the Common Foreign and Security Policy (CFSP) which also calls for the Western European Union (WEU) to become the EU's defense arm and for the establishment of a European Security and Defense Identity (ESDI) and the development of a common defense policy. The third pillar is the Cooperation on Justice and Home Affairs (JHA). See more detailed below.

[4] Björn Hettne, "Europe: Paradigm and Paradox," *Regionalization in a Globalizing World: A Comparative Perspective on Forms, Actors and Processes*, eds. Michael Schulz, Fredrik Söderbaum, and Joakim Öjendal (London and New York: Zed Books, 2001).

[5] See Tim Huxley, "International Relations," in *An Introduction to Southeast Asian Studies*, eds. Mohammed Halib and Tim Huxley (Singapore: Institute of Southeast Asian Studies, 1996), pp. 224-246 and Milton Osborne, *Southeast Asia: An Introductory History*, 8th ed. (Australia: Allen & Unwin, 2000).

As mentioned earlier, after the end of Cold War, cooperation in Asia, particularly in East Asia, increased tremendously. The recent emergence of a large number of more or less unofficial intraregional organizations in East and Southeast Asia may be interpreted as a sign of the common need of East Asian states, as well as of the U.S., to regain a long-term equilibrium disturbed by the gradual decline of the American security hegemony and the end of the East-West conflict. Furthermore, the 1997 financial crisis triggered the recognition of autonomous organizations within the region. (See Table 2.1)

There are differences between regional cooperation in Europe and Asia. Unlike Europe, regional arrangements in Asia are described only by intergovernmental cooperation. Leaders in Asia understand that there are national interests that can be promoted through cooperation with other Asian states that have similar interests. However, they still consider national sovereignty as a pillar of an autonomy that must be fully protected. Therefore, Asian regional groupings are only the result of cooperation limited by the maintenance of the members' autonomy.

Table 2.1: Three Waves of Regionalism[50]

Regions / Period of Time	Western and Eastern Asia	Western and Eastern Europe	Latin America	Middle East	Africa
First Wave: 1950s – 1960s	• CENTO (1950s) • SEATO (1954-1975) • ASA • MAPHILINDO • CSCAP • ASEAN (1967-1992)	• NATO (1949-) • WEU (1955-) • Warsaw Treaty Organization (1955-1991) • Council of Europe (1948-) • ECSC (1952-) • Euratom (1958-) • EEC (1958-) • COMECON (1948-1991) • Benelux (1958-)	• OAS (1948 -) • RIO Pact (1947-) • Central American Common Market (1961-) • Andean Community (1969-) • CARICOM (1973-) • LAFTA (1969-1980)	• Arab League (1947-)	• OAU (1964-2002)
Regions / Period of Time	**Asia and Asia-Pacific**	**Europe**	**Latin America**	**Middle East**	**Africa**
Second Wave: 1980s-1990s	• APEC (1989-) • ARF (1994-) • SAARC (1985-)	• CSCE (1975-1995) • OSCE (1995-) • EEC-EU (1992-) • CIS (1991-)	• MERCOSUR (1991-) • FTAA (1994-) • NAFTA (1993-)	• Gulf Cooperation Council (1981-)	• ECOWAS (1975-) • SADC (1992-) • COMESA (1994-)
Third Wave: 2000-	• ASEAN (1992-) • ASEAN+3 (1997-) • EAC (2002-) • EAS (2005-)				• AU (2002-)

[50] The first and second wave of this table are adapted from Margaret P. Karns and Karen A. Mingst, *International Organizations: The Politics and Processes of Global Governance* (Boulder: Lynne Rienner, 2004), p. 153. The third wave is adapted from Kajit Jittasevi, *องค์การระหว่างประเทศ* (International Organizations), Faculty of Political Science, Thammasat University, Textbook Project (forthcoming).

A. Regionalism in Europe after the Second World War

The concept of Europe is by no means unambiguous. From a geographical perspective, Europe constitutes the westernmost part of the large Eurasian land mass. In this small area many different religions, languages, and peoples converge; thus creating an enormous diversity. The starting point for analyzing the European experience in political organization is the emergence of nation-states under the Peace of Westphalia in 1648 and the international system that followed.[7]

During the Cold War era, Europe was merely an arena for the global bipolar conflict. Western Europe was the liberal democratic camp under the United States' influence, whereas Eastern Europe was part of the social communist bloc under the Soviet Union's umbrella. Initiatives of cooperation were based upon the strategies of the representatives of those ideologies. In spite of this, they established and further stimulated regionalism in Europe.

The end of Cold War changed Europe. The end of this period was symbolized by the Maastricht Treaty 1991, which served as the cornerstone of regional integration by establishing the EU. In addition, Eastern European countries were welcomed as part of Europe. Gradually and with surprisingly few manifest conflicts, Europe was transformed from object to subject, thereby becoming an actor in its own right. This is a European regionalism created from below.[8]

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[7] Piper.

[8] Björn Hettne, "Global Market versus Regionalism," in *The Global Transformations Reader: An Introduction to the Globalization Debate*, eds. David Held and Anthony McGrew (Malden: Polity Press, 2000).

Figure 2.1 Map of Europe[9]

[9] www.edinphoto.org.uk/1_map/1_map_europe_2001.htm.

1. The Cold War as a Context of Regionalism in Europe

The aforementioned sense of regionalism has prevailed since the 1950s, but general ideas behind contemporary European regional cooperation predate the Second World War. Maintaining peace was a primary objective at a time when war amongst the European states seemed almost inevitable. Peace in Europe went hand in hand with a desire to ensure that the region was able to get back on its feet economically after the catastrophe of the World War. Along with the consequent ideological bipolarization, Western Europe moved towards closer collaboration.

During the Cold War, the Iron Curtain established a sharp boundary line between two sets of organizations. In Eastern Europe, states under Soviet domination joined together in the Warsaw Pact for common defense, and the Council of Mutual Economic Assistance (COMECON) to manage their economic relations. In Western Europe, with strong influence and encouragement from the U.S., the OEEC, later known as the OECD, was established in 1948 to administer the U.S. Marshall Plan and to lower trade and currency barriers. The NATO, a political and security institution was established in 1949. The same year the COE was created by European countries.[10]

These regional arrangements are based on **intergovernmental cooperation** or intergovernmental organization. European countries only interacted with others as long as they preserved their authority, as they were afraid of losing their sovereignty after the Second World War. Cooperation would occur only when their national interests had been served. In this period states remained in control of the process of negotiation and decision-making.

The destruction caused by the Great World Wars also reminded European states, but particularly France and Germany, to find efficient ways to avoid future wars. One alternative was to subject states to act according to rules and regulations aimed at promoting the collective interests of the whole region. One of those methods was deeper regional integration by means of **intergovernmentalism** and **supranationalism**.

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[10] Karns and Mingst, pp. 153-154.

The perceived OEEC and the COE's shortcomings led six countries to begin a process of deeper integration through a new set of institutions, starting with the ECSC established in 1951. The six countries then established the Euratom and EEC in 1958. The integration process they initiated continues today through what is now known as the EU.[11]

The Cold War transformed Europe's landscape and regional organizations.[12] Groups of Western European states created the WEU in 1954 to provide a framework for German rearmament, as well as the European Free Trade Association (EFTA) in 1960 for states that chose not to join the Common Market. During the period of détente between East and West in the 1970s, the CSCE, later the OSCE, was established. This brought together countries from both Eastern and Western Europe. These are all examples of intergovernmental cooperation among member states. With the collapse of communist governments and dissolution of the Soviet Union the Warsaw Pact and COMECON were disbanded in 1991. Some former members are now members of NATO and plan to join the EU.

Since the end of the Second World War, European states have established a dense network of regional organizations to address security, economic, and other needs. Various institutions and organizations have been established and developed since then. It can be concluded that there are two main types of cooperation in Europe. European intergovernmental cooperation created 'Nested European Institutions'. At the same time, Europe has realized itself as a community since the creation of the ECSC in 1951.

2. Europe of the Intergovernmental Cooperation: The 'Nested European Institutions'

The Cold War increased West European fears of insecurity and led to a massive American political and economic involvement in Europe. This explains why the first wave of cooperation was designed from outside and above. At the same time, European countries also created their own groupings such as the COE, the WEU, and

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[11] Karns and Mingst, pp. 153-154.

[12] See Alasdair Blair, *Companion to the European Union* (Great Britain: Routledge, 2006).

the Benelux. Such European intergovernmental initiatives created the 'Nested European Institutions' (See Figure 2.2).[13]

The **COE** emerged out of the deliberations of several hundreds of influential Europeans who met in the Congress of Europe at The Hague in May 1948. The Congress promoted a debate that culminated with the COE in May 1949. This was the first post-1945 political organization in the continent. The purpose of the Congress was to plan a strategy for European unity. It seeks to advance common democratic principles based on the European Convention on Human Rights and other reference texts on the protection of individuals. Although the COE seemed to adhere to 'unionists' ideals to achieve a 'closer union' between its members, during its early stages the organization did little more than exchanging ideas and information on social, legal, and cultural matters.[14] Only in the area of human rights did the COE really distinguish itself. The Council's Court of Human Rights became an important way of protecting and promoting civil liberties throughout Europe.[15]

The COE is a multipurpose organization whose objective is stated in Article 1, Chapter 1, of its Statute[16]:

> …to achieve a greater unity among its members for the purpose of safeguarding and realizing the ideals and principles which are their common heritage and facilitating their economic and social progress.

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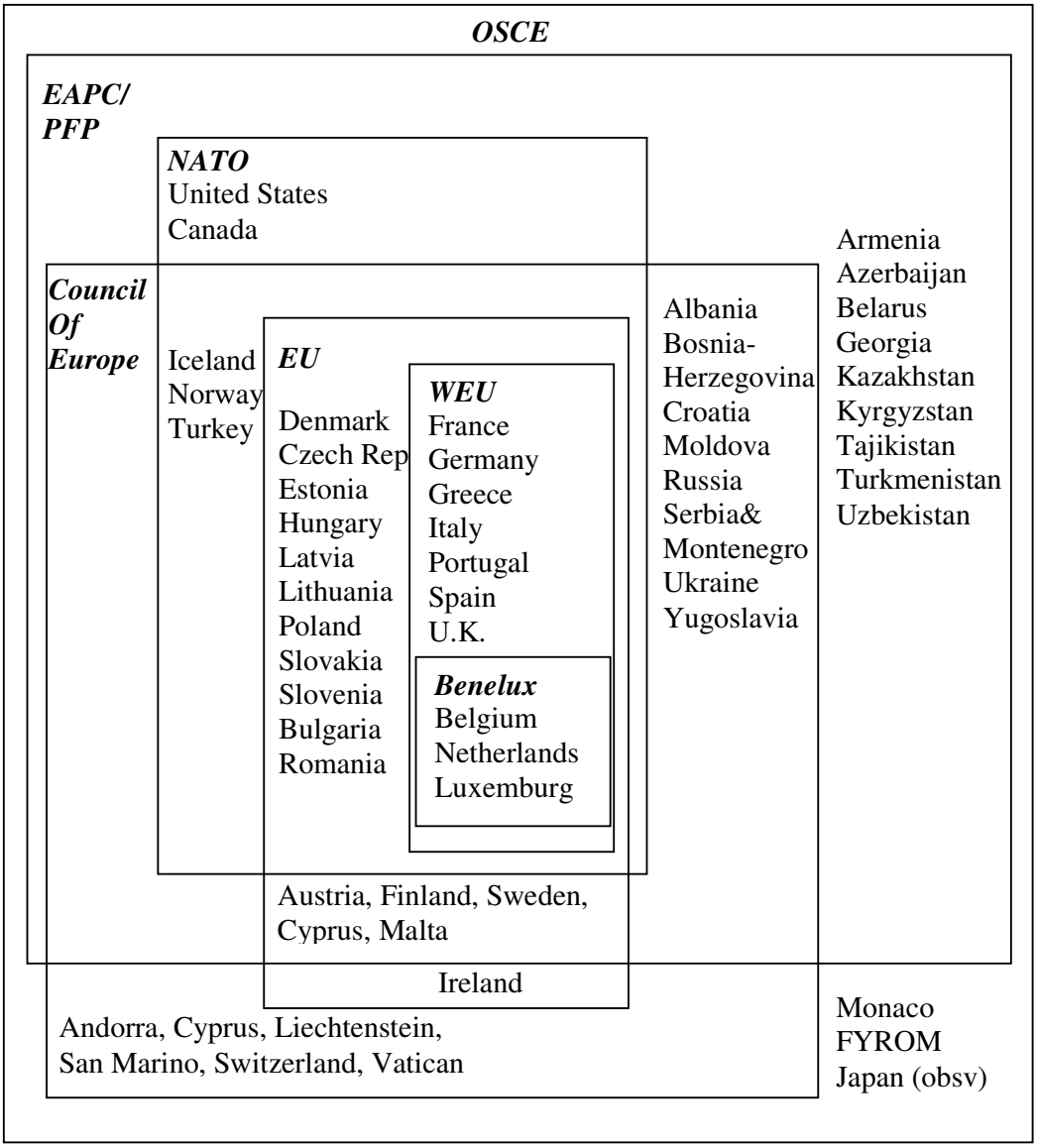
[13] Karns and Mingst, pp.153-159.

[14] During the beginning stage, a sharp difference of opinion between 'unionists' and 'federalists' made agreement difficult to reach. The former, personified by Winston Churchill, advocated intergovernmental cooperation; the latter, personified by Altiero Spinelli, espoused supranationalism. Both sides agreed on the desirability of European integration and on the need to establish an organization with a parliamentary body. For the 'unionists' that body would be merely a consultative assembly, bound to defer to an intergovernmental ministerial committee. For the 'federalists,' in contrast, the parliamentary body would be a constituent assemble charged with drafting a constitution for the United States of Europe: Desmond Dinan, ed., *Encyclopedia of European Union* (Boulder: Lynne Rienner Publishers, 2000), pp. 101-102.

[15] Ibid.

[16] See Appendix I (Statue of the Council of Europe).

Figure 2.2 Nested European Institutions[17]



The COE consists of a committee of representative of governments and a consultative assembly. This can be described as an example of intergovernmental cooperation among European countries, as they acted together for mutual benefit in order to achieve a greater unity and solve common concerns. The COE enjoyed an unexpected resurgence after the end of the Cold War, when its membership includes

[17] Karns and Mingst, pp.154.

almost every European country. At the present time it comprises 46 democratic countries.[18]

The **WEU** was founded upon the Treaty of Economic, Social and Cultural Collaboration and Collective Self-Defense. Five Western European states signed the 1948 treaty in Brussels.[19] These countries were Britain, France, and the three Benelux countries—Belgium, the Netherlands, and Luxembourg. This was the founding document of the Brussels Treaty Organization, also known as the Western Union. In October 1954, the Brussels treaty was modified and enlarged to include the Federal Republic of Germany (FRG) and Italy, and the organization was henceforth known as the WEU.[20]

The WEU became the foundation of a framework of European Defense Cooperation (EDC) in 1954. However, until the late 1980s, the WEU only had a very limited role in spite of its importance, as it promotes the development of consultation and co-operation in Western Europe. In 1988, Spain and Portugal joined the WEU. With the end of the Cold War and the withdrawal of U.S. forces from Europe, as well as with the evolution of the EC, a new role for the WEU began to be formulated. Under the Maastricht Treaty of 1992, it was described as an integral part of the Union. Indeed, the WEU Declaration adopted at the Maastricht Summit stated that the WEU would be developed as the defense component of the EU. This would strengthen the European pillar of the Atlantic Alliance. It also adopted the Petersburg Declaration, under which military units from WEU member states could be used for military and other purposes in cooperation with the CSCE (now OSCE) and the UN Security Council. A Forum for Consultation with Central and Eastern European states was also created.[21]

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[18] See more details about COE in Council of Europe (COE), http://www.coe.int/T/E/Com/About_Coe/whatswhat.asp.

[19] Dinan, pp. 485-488. See more details about WEU in Western European Union (WEU), http:// www.weu.int/ and Malcolm N. Shaw QC, *International Law*, 5th ed. (Cambridge: Cambridge University Press, 2005), p. 1170.

[20] Ibid.

[21] Dinan, pp. 485-488.

The **Benelux** manages political and official cooperation between Belgium, the Netherlands, and Luxembourg. It was created in 1944 in order to remove border barriers and to realize free movement of persons, goods, and services. The customs union among them came into effect in 1948. The ties were further strengthened on 3 February 1958 when the three countries signed a treaty that established the Economic Union in The Hague.[22]

The Benelux is not only part of the foundation of the European Communities, but also takes important initiatives for the continued development of Europe. This has been done even at the expense of the Benelux, as Europe has partly reduced its role in the policymaking process. Yet, it is not right to conclude that there is no space for significant Benelux cooperation anymore. The Benelux still keeps the lead on the European integration in several fields. Examples are environmental planning, parts of transport policy, and numerous internal market regulations. The Benelux cooperation still offers the possibility to advance European initiatives and promote policy developments between the three countries. Acting together in European consultation, the three member countries get as much weight as a large European member states as they can defend their specific interests more effectively and more powerfully. The larger Europe gets, the more important this concentration of strength is.[23]

The **NATO** is an alliance of 26 countries from North America and Europe committed to fulfilling the goals of the North Atlantic Treaty signed on 4 April 1949. It is an intergovernmental organization whose member states retain their full sovereignty. All NATO decisions are taken jointly by the member countries on the basis of consensus. It is the most highly organized regional security organization in the world. Although it began as a Cold War military alliance, it has now evolved into far more than just a treaty, as it is now involved. in European and international security. Since the global war against terrorism began in September 2001, NATO has

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[22] Dinan, p. 25. See e.g. "Benelux in a nutshell," http://www.benelux.be/en/bnl/bnl_instellingen.asp.

[23] There are still many coordination problems between the countries as a result of non-harmonized regulation, approach or administrative organization for example problems that often need tailor-made solutions. Tailor-made solutions are often much more difficult to deliver from the wide European angle than from the small grouping like the Benelux. The Treaty of Rome permits the Benelux customs union to survive within the EU as an internal regional grouping as long as they are compatible with the EC's objectives: Ibid.

adapted to this new security environment by deepening and broadening its cooperation with its 23 partner countries as well as Russia, Ukraine, its Mediterranean partners, the broader Middle East region, and other international organizations. Even now it is developing a strategic partnership with the European Union.[24]

OEEC was established in 1948 to distribute Marshall Plan assistance from the U.S. to the countries of Western Europe. However, the OEEC was too large and diverse to act as an institutional instrument of integration. Its 18 members varied greatly in size, population, and economic well-being. Above all, the widely differing political cultures and wartime experiences of the member countries made the prospect for agreement on integration extremely remote. Although the institutions initially failed, once the EEC began functioning in 1958, the OEEC turned into the OECD.[25]

OECD is an international organization that promotes economic cooperation. It is based in Paris, where its founding act, the Convention on the Organization for Economic Cooperation and Development, was signed in 1960. Once it replaced the OEEC in 1961, the OECD vocation has been to build strong economies in its member countries, improve efficiency, hone market systems, expand free trade, and contribute to development in industrialized as well as developing countries. Dialogue, consensus, peer review, and pressure are at the very heart of OECD. Its governing body, the Council, is composed by representatives of member countries.[26] These features clearly confirm the method of intergovernmental cooperation that guides this organization.

From a neo-realist perspective, U.S. hegemony was especially important to the formation of NATO and the OEEC at the end of the Second World War. It also highlights the extent to which European integration was embedded within a transatlantic security framework. Because neo-realism believes that global politics are

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[24] Karns and Mingst, pp.154-158. See more details about NATO in North Atlantic Treaty Organization, http://www.nato.int/#; Shaw, pp. 1168-1170; Dinan, pp. 360-362; and Philip Gordon, *NATO's Transformation: The Changing Shape of the Atlantic Alliance* (Lanham, MD: Rowman and Littlefield, 1997).

[25] Dinan, pp. 369-372. See also http://www.oecd.org/document/63/0,2340,en_2649_201185_1876671_1_1_1_1,00.html.

[26] Ibid.

set in an anarchical international system, it argues that during the Cold War the U.S. needed to extent its alliances throughout the world, but especially across Europe.

The **CSCE** was the product of a Soviet/Warsaw Pact proposal made in the early 1970s. The CSCE organized an all-European conference to resolve the outstanding issues from the Second World War, particularly territorial boundaries and the division of Germany. It was originally created in 1975 following the Helsinki Conference of European powers (plus the U.S. and Canada). The Final Act was not a binding treaty but a political document, concerned with three areas: security in Europe; economic, scientific and technological cooperation; and cooperation in humanitarian fields. During the Cold War years there were several controversies, particularly surrounding the organization's right to intervene on behalf of human rights. CSCE was a diplomatic conference with regular follow-up meetings to review the implementation of the Helsinki Act. It was only after the changes in Eastern Europe in the late 1980s that the CSCE began to assume a coherent structure.[27]

Following approval of the Charter of Paris for a New Europe in November 1990, the CSCE was gradually transformed into the **OSCE.** This is the broadest intergovernmental organization in the European security structure, as it covers the entire Eurasian region. It is currently composed of 55 member states in Europe, plus the U.S., Canada, and all the states of the former Soviet Union. As the successor to the CSCE, it has evolved into an important instrument for broadly defined security cooperation and coordination, conflict prevention, and resolution since 1990. The OSCE's post Cold War tasks have included monitoring elections in Bosnia and Albania; negotiating a ceasefire in Chechnya; mediating agreements between governments and secessionist regions in Moldova, Azerbaijan, etc. Despite its large membership, the OSCE has been able to respond more rapidly than most other institutions and to adapt its responses more appropriately to the specific issues arising

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[27] Karns and Mingst, pp. 158-159. See more details about CSCE in Organization for Security and Cooperation in Europe. http://www.osce.org/; Terrence P. Hopmann, "The Organization for Security and Cooperation in Europe: Its Contribution to Conflict Prevention and Resolution," in *International Conflict Resolution After the Cold War*, ed. Paul C. Stern and Daniel Druckman (Washington: National Academy Press, 2000), pp. 569-615; and Shaw, pp. 1179-1181.

in particular cases. Also, the EU works closely with the OSCE to promote stability in Europe.[28]

In conclusion, regional cooperation in Europe can be best described by intergovernmental cooperation between states' governments. The form of cooperation concerned relations between formally sovereign states. The institutions produced by this type of cooperation were formed around specific objectives and contents. The COE is the first post-1945 governmental cooperation in the continent. In terms of political and security purposes, NATO and WEU are the best examples of intergovernmental cooperation in Europe. This has also taken place in the economic arena, where OEEC, OECD, and Benelux illustrated government-to-government cooperation. These European international organizations were all intergovernmental in nature, only able to operate with the full consent of all its members. In terms of the degree of integration and limitations on national sovereignty, they operated on the basis of the lowest common denominator of intergovernmental cooperation.

It must be noted that within European regionalization, not only has intergovernmental cooperation prevailed, but that the supranational approach has begun. During the first wave of regionalism in Europe, the supranationalist approach was initially used in 1952 with the ECSC. Later, other institutions have been created to deepen, widen, and broaden this process. European integration has gradually established the European community.

3. Europe of the Community: From ECSC to European Union

European integration was born on 9 May 1950 with a proposal by the French Foreign Minister Robert Schuman to place Franco-German coal and steel production under a common "High Authority." With that proposal; the Treaty of Paris[29] signed by France, the Federal Republic of Germany, Belgium, the Netherlands, Luxembourg, and Italy on 15 April 1951 created Europe's first so-called supranational institution,

[28] Hopmann.
[29] See Appendix II (Treaty of Paris).

the **ECSC.**[30] The proposal aimed at accepting Germany as an economic equal and to hand over authority from both countries' key coal and steel industries to a supranational authority.[31]

The founding of the ECSC was more significant as an episode in the diplomatic history of Europe than as an economic agreement between European countries. Monnet and his followers claimed to have discovered in 'supranationalism' a new principle and in the ECSC a way to overcome the nationalism that was at the core of the two largest European wars. It is in this sense that the High Authority of the ECSC became a supranational institution responsible for formulating a common market in coal and steel and related issues.[32]

This strategy is well explained by neo-functionalist approaches. As a classic example of functionalism, the ECSC was successful enough in boosting coal and steel production that the six member states agreed in 1958 to expand their cooperation under the Euratom and the EEC.

Euratom came into existence simultaneously with the **EEC** on 1 January 1958. The treaties that established both Communities were signed together in Rome on 25 March, 1957. The Treaties of Rome represented recognition that the community could not develop the coal and steel sectors in isolation from other economic sectors. Thus, one treaty created Euratom to establish a common market for atomic energy. In the other treaty member states committed to create a common market over a period of twelve years through the elimination of all restrictions on internal trade; the development of a common external tariff; reduction of barriers to free movement of people, services, and capital; and the development of common agricultural and transport policies, among others.[33] The three Communities retained separate executive structures until 1967 when they were merged to form the EC (See Figure 2.3 and 2.4).

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[30] However, its real author was Jean Monnet, head of the French Modernization Plan. He was the first president of the High Authority, the executive arm of the ECSC, until November 1954.

[31] Dinan, pp. 177-178, 179-186, 200, See e.g. Karns and Mingst, pp.160-174; Piper; Blair; http://europa.eu/index_en.htm; and European Commission, "Europe in 12 lessons," http://ec.europa.eu/publications/booklets/eu_glance/60/en.doc.

[32] Ibid.

[33] Ibid.

The idea of creating a European 'union' has long been a goal of states committed to European integration. In the preamble of Treaties of Rome[34], the members expressed their determination that "…*to lay the foundations of an ever closer union among the peoples*." They reaffirmed this in the 1986 SEA, which brought about some significant reforms to the Treaties of Rome. The SEA launched the initiative to complete the internal market by the end of 1992.[35]

Agreed at Maastricht in December 1991 and entering into force on 1 November 1993, the TEU, commonly known as the Maastricht Treaty[36], was designed to expand the scope of European integration. It calls for an ever closer union among the people of Europe. The TEU attempts to reform the EC's institutions and decision-making procedures. It also brought about European Monetary Union (EMU). Moreover, the Maastricht Treaty brought closer together the EC by calling it the EU, which consists of three 'pillars' (See Figure 2.5).[37]

The first pillar comprises the original Communities (the EC, Euratom, and the ECSC). It has supranational activities by nature. The second pillar is the Common Foreign and Security Policy (CFSP)[38] and the European Security and Defence Policy (ESDP)[39], introduced by the Treaties of Maastricht (1992), Amsterdam (1997) and Nice (2001). The second pillar defines the EU's main tasks in the area of defence and

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[34] See more details in Appendix III (Treaties of Rome).

[35] See more details in Appendix IV (Single European Act.

[36] See more details in Appendix V (Treaty on European Union).

[37] Michelle Cini, ed., *European Union Politics*, 2nd ed. (Oxford: Oxford University Press, 2006). See also Dinan, pp. 463-466; Piper (2005); Blair (2006); Karns and Minst, pp. 163-164; and http://europa.eu/.

[38] The CFSC is the predecessor of the European Political Cooperation (EPC), the first attempt at extending civilian superpower responsibility to foreign affairs. The EPC was a product of the Luxembourg Report of 1970, later to be incorporated into the EC by the 1987 SEA. Although EPC was able to secure opportunities for dialogue amongst the EC's members, it was frequently criticized for being reactive. In the late 1980s and early 1990s, EPC was unable to forge a common response to the end of communism and the collapse of the Soviet Union. However, the end of the Cold War opened the door to new opportunities for Europeans to develop their own foreign policy. The TEU later established a CFSC. The Amsterdam Treaty revisions sought to rectify some of the institutional problems, but failed to address the question of a European defense policy. See more details in Cini, pp. 237-252.

[39] The agreement of the British and French governments at St Malo in December 1998 created an overwhelming momentum towards a common European security and defense policy. Some of the key negotiations that took place over ESDP concerned the relationship between the EU and NATO. A deal was finally secured in 2002. See more details in Cini, pp. 237-252.

it is controlled by intergovernmental cooperation. Decisions in this domain are taken by consensus, although individual states can abstain. Policy is agreed on an intergovernmental basis. However, the EU is edging very slowly and incrementally towards a fully working set of foreign and security policies and associated instruments.[40] The third pillar is the Justice and Home Affairs (JHA)[41], which was preceded by a period of purely ad hoc intergovernmental cooperation by the member states of the EC, covering policy areas such as immigration, asylum, policing, and judicial cooperation.[42]

The EU lacks a uniform structure, as it consists of one supranational and two intergovernmental pillars. Changes in the relationship between the pillars since 1993 have blurred the boundaries among them. Some argued that the intergovernmental pillars threatened to undermine the supremacy of the supranational institutions and decision-making procedures that develop, adopt, and police policy. Some argued that the mix of supranationalism and intergovernmentalism, were at best marginal players in the second and third pillars. This means that the EU as it was established was less of a union than many had either hoped or feared.[43]

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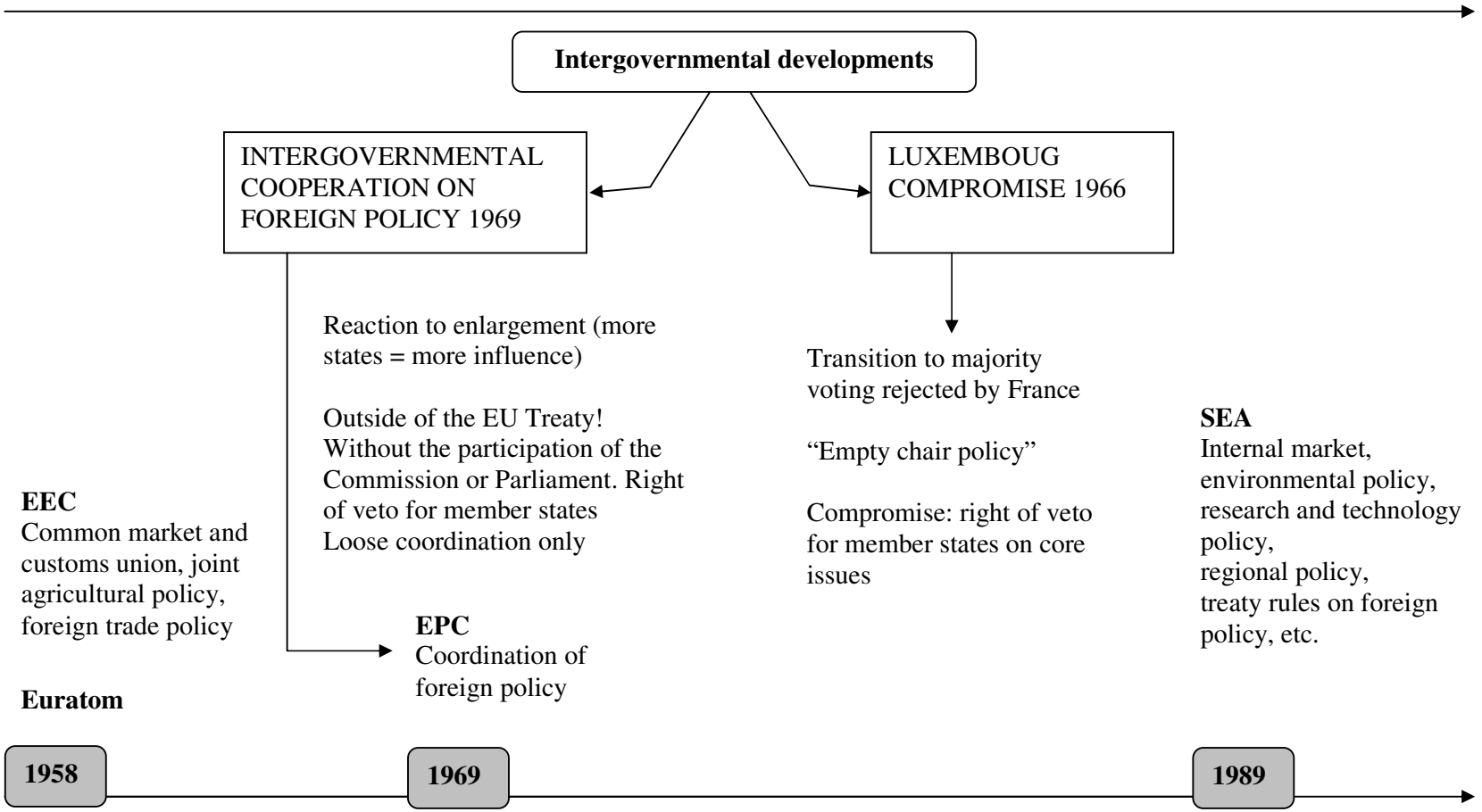
[40] European Commission, "Europe in 12 lessons," http://ec.europa.eu/publications/booklets/eu_glance/60/en.doc. See Cini (2007); Karns and Mingst (2004); Dinan, pp. 83-85; Piper (2005); and Blair (2006).

[41] Cooperation in JHA was not foreseen in the Treaty of Rome. Instead, it was the issue for discussion in the COE, but it worked slowly and its output was meager.

[42] Dinan, pp. 310-316.

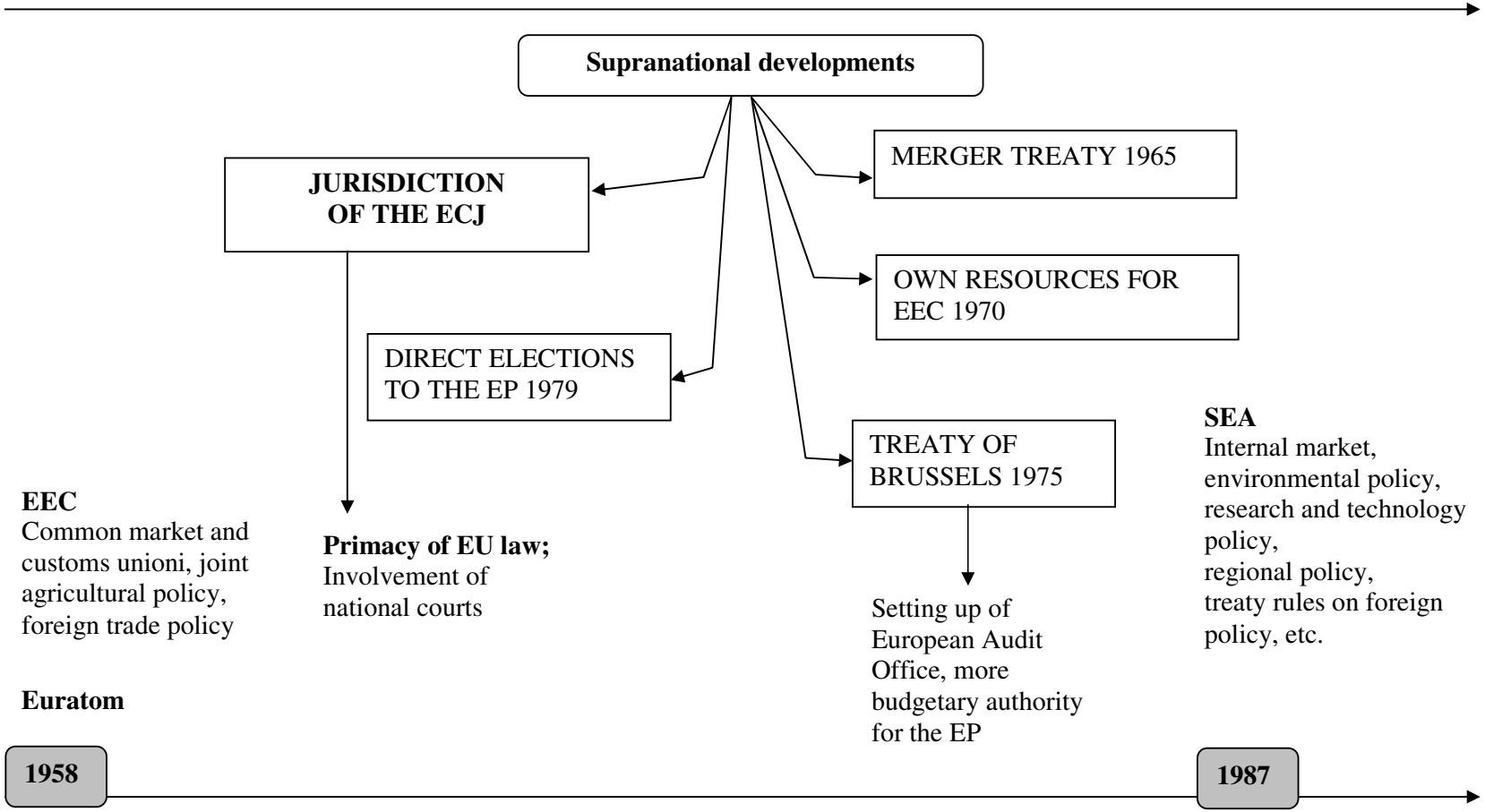
[43] Cini, pp. 30-45.

Figure 2.3 From the EEC to the SEA → intergovernmental tendencies[44]



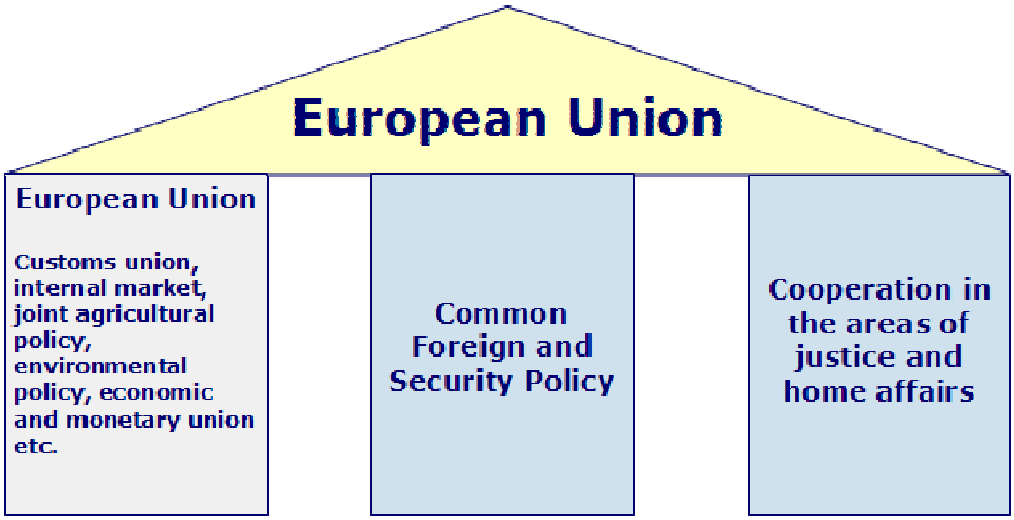
[44] http://www.dadalos-europe.org/int/index.htm.

Figure 2.4 From the EEC to SEA → Supranational tendencies[45]



[45] http://www.dadalos-europe.org/int/index.htm.

Figure 2.5 European Union Pillars[46]



The 1997 Amsterdam Treaty added 'an area of freedom, security and justice' to the EU's objectives and shifted much of the JHA activity from the third pillar into the EC pillar. It was redirected towards police and judicial cooperation in criminal matters, and was renamed to Police and Judicial Cooperation in Criminal Matters (PJCCM).[47] It was also supposed to prepare the EU institutionally for enlargement. Even, it failed.[48]

The 2001 Treaty of Nice attracted much criticism. The main objective of the treaty is to prepare the EU institutionally for enlargement. It paved the way for a more 'European' EU by introducing the institutional reforms necessary for enlargement, even though it did little in terms of the furthering the goal of an 'ever closer union'.[49]

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[46] Cini, pp. 237-252. See also http://www.dadalos-europe.org/int/index.htm.

[47] See more details in Cini, particularly in Chapter 19 Justice and Home Affairs, pp. 304-318.

[48] See more details in Appendix VI (The Amsterdam Treaty). See more details about the EU after the Treaty of Amsterdam in P. Lynch, N. Neuwahl, and W. Rees, eds., *Reforming the European Union from Maastricht to Amsterdam* (London: Longman, 2000) and J. Monar and W. Wessels, eds., *The European Union after the Treaty of Amsterdam* (London: Continuum, 2001).

[49] Cini, pp. 38-44. See more details in Appendix VII (Summary of the Treaty of Nice). See D. Galloway, *The Treaty of Nice and Beyond* (Sheffield: Sheffield Academic Press, 2001).

The origins of the Constitutional Treaty are many but its rise owes much to the debate of the 'Future of Europe' set in motion by the Nice European Council in 2000 and further promoted by the Laeken Declaration adopted a year later. The Constitutional Treaty simplifies the EU's treaty base and overall nature. The pillars of the EU are replaced by a more uniform and coherent structure. It also clarifies what the EU can do, and how it can do it without significantly increasing the EU's areas of competence.[50]

In December 2002, the fifteen EU members agreed to admit ten new members: two Mediterranean island states and eight Central European and Baltic, former communist states. The result is a "mega Europe" of twenty-five members. In January 2007, the EU admitted two more new members: Bulgaria and Romania. (See Figure 2.6) Around 450 million people and an economy of more than 9 trillion US dollars are enormous for the EU itself. The most difficult question is how this enlarged EU will be governed. Enlargement makes reform of the current institutional structures imperative.[51]

The challenges of enlargement the community are matched by the challenges of deepening it. As integration has reduced the latitude of member states, opposition to further integration has grown. Moravcsik stresses that the process of integration has been largely driven by conscious governmental choices based on economic interests, relative power on different issues under conditions of asymmetric interdependence, and desire to lock in commitments of other governments and future domestic governments through giving up or pooling sovereignty in EU institutions. The EU

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[50] See more details in Appendix VIII (Treaty establishing a Constitution for Europe). See Clive Church and David Phinnemore, "The Rise and Fall of the Constitutional Treaty," in *European Union: Politics*, 2nd ed. Michelle Cini (Oxford: Oxford University Press, 2007), pp. 46-65. See e.g. Clive Church and David Phinnemore, *Understanding the European Constitution: An Introduction to the EU Constitutional Treaty* (London: Routledge, 2005); P. Norman, *The Accidental Constitution: The Making of Europe's Constitutional Treaty* (Brussels: Eurocomment, 2005); G. Stuart, *The Making of Europe's Constitution* (London: Fabian Society, 2003); and European Council, "Treaty establishing a Constitution for Europe," *Official Journal of the European Union* C310 (16 December 2004). See more details about the Constitution Treaty, http://europa.eu.int/constitution/index_en.htm.

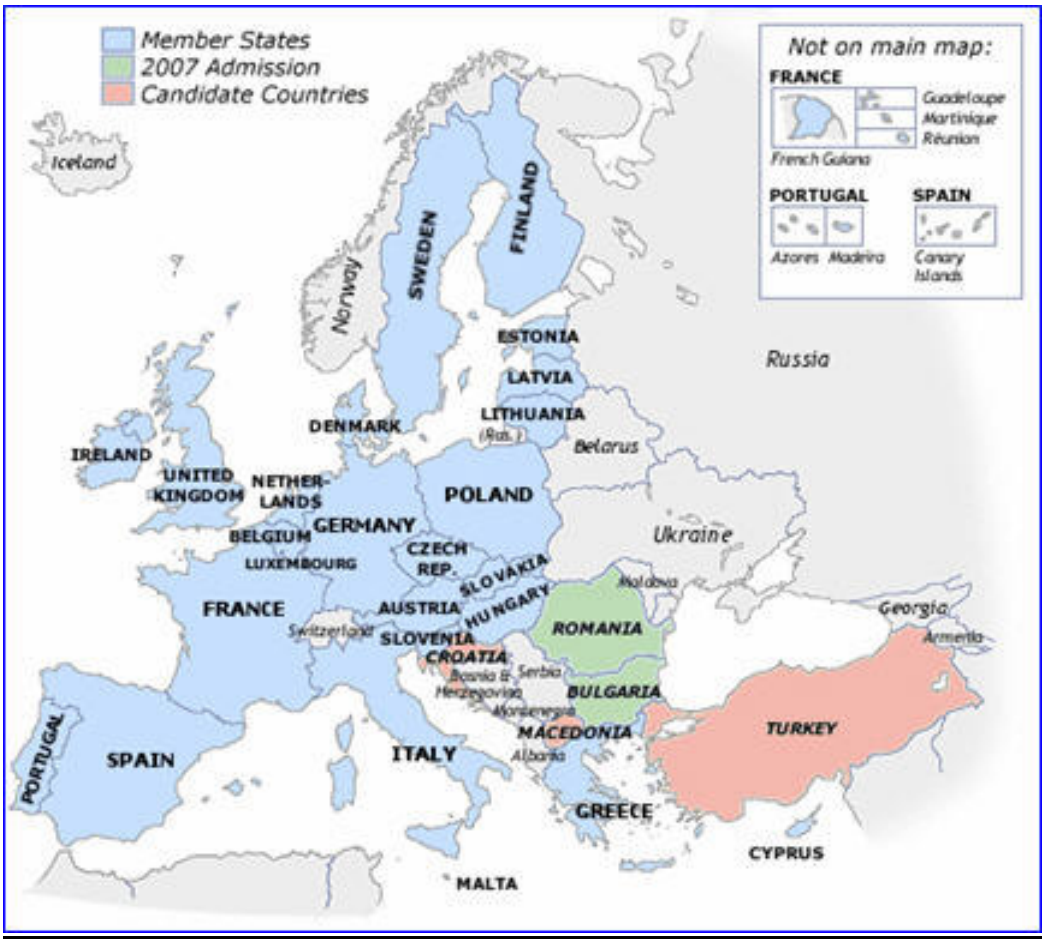
[51] Karns and Mingst, pp. 173-174. See Appendix X (Map of European Union Enlargement).

now faces the increased probability of disagreement and the difficulties of deepening integration.[52]

All in all, regionalism in Europe has been stimulated by the destruction and deprivation caused by the Great World Wars. European states avoided future catastrophe by creating cooperation and integration. During the Cold War, regional cooperation was guided by the strategic positions between the United States and the Soviet Union. Later, European countries recognized the necessity of self-regional arrangements. Thus, they established a dense network of regional intergovernmental cooperation called 'Nested European institutions.' At the same time, Europe has developed deeper regional integration in order to establish a community by means of intergovernmentalism and supranationalism. Beginning with the first supranationalist institution in 1951, the EU has evolved from the ECSC to the present European Union. While the first pillar is better explained by supranationalist and intergovernmentalist concepts, the second and third pillars are better described by intergovernmental cooperation.

[52] See more details in Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power From Messina to Maastricht* (New York: Cornell University Press, 1998).

Figure 2.6 Map of European Union 2007[53]



B. Regionalization in Asia: Between the Purpose and the Process

Asian regionalization has been delayed and limited. This is attributed to the persistence of Cold War divisions on the Korean peninsula and communist states in the region; the diversity of cultures and uneven levels of development; and absence of experience with cooperation; low levels of interdependence; and the absence of the idea that Asia-Pacific (or East Asia or the Pacific) might constitute a region. Since many Asian countries were European colonies and gained their independence only

[53] http://www.eurochamvn.org/modules/tinycontent/index.php?id=106.

after the Second World War, leaving them strongly attached to state sovereignty and suspicious of new forms of dependency or perceived domination. Moreover, Japanese imperialism in the 20th century may be causing wariness of regional cooperation that might involve new forms of Japanese domination. Currently, there is no single country to provide leadership, except two potential competitors: China and Japan. In addition, there is a superpower – the United States – that continues to play a major role in shaping regional relationships and dynamics. The United States never promoted multilateralism in Asia and the Pacific, preferring a more conventional great power approach of bilateral relationships.[54]

Asian regional institutions tend to be informal with few specific rules, no binding commitments, small secretariats, and an emphasis on consensus decision-making. However, there is a long history of second tier interactions involving business leaders, economists, and security specialists from university centers and think tanks, along with government officials acting in their private capacity. These have played an important role in building confidence among countries with little history of intergovernmental cooperation and in creating an epistemic community for regional cooperation.

1. Regional Cooperation as a Reaction of Borderless World

After the Second World War, globalization trend has prevailed across the globe. It created a borderless world where national territories and boundaries can no longer control the flow of capital, people, technology, etc. In this sense, states recognized that one nation alone could not manage transnational interactions. Therefore, they must find solutions that not only could preserve their national interests, but also efficiently handle global trends. One of the effective ways is regional cooperation.

In Asia, regional cooperation can be divided into three waves: cooperation in Asia since the Second World War, after the Cold War, and transitional period, until recent years can be described by using the concept of intergovernmental cooperation (See Table 2.1). It is commonly known that European colonization has engendered

[54] Karns and Mingst, pp. 189-200.

stronger sense of sovereignty among Asian countries. Therefore, it is undoubtedly clear that other forms of cooperation which national sovereignty will be transferred cannot completely be used.

The first wave of regional cooperation in Asia was formed in a bipolar Cold War context. It was created 'from above' by the superpowers. Also, the cooperation had specific objectives; it was either security or economically oriented. It increased the efficiency of collective activities and enhanced the organization's ability to affect the understandings, environment, and interests of states. In this sense, for those of SEATO, ASA, MAPHILINDO, ASPAC, ASEAN, security mattered most during the Cold War. By participating, they agreed to shape international debate on important issues and forged critical norms of behavior. However, member states still maintained their sovereignty. In economic aspect, cooperation has mostly been established in the forms of informal non-governmental organizations. However, they have been the driving force behind the development on economic aspects facing the region. This first wave of Asian regional cooperation accompanied the initial stages of European integration in the 1960s. Countries in several other parts of the world tried, often unsuccessfully, to emulate Europe by initiating regional economic integration schemes.

The second wave of cooperation began in the late 1980s. The end of the bipolar structure that has constrained international behavior since 1945 has led to the ideological and strategic competition between the U.S. and Soviet Union; the devaluation of military power and re-evaluation of economic strength; and the gradual integration of former enemy states into a capitalist world economy. A further outcome was increased attention to relations at the regional level as contacts between those governments and peoples previously distanced by Cold War have grown in significance and number. This wave of cooperation was also triggered by external events that threatened economic prosperity in the area. The adoption of the SEA in 1987, the speedy progress towards the Europe 1992 goal, the steady enlargement of the EC, and ratification of the Maastricht Treaty on European Community and Political Union raised fears of a fortress Europe throughout Asia. Regional cooperation during this transitional period could still be explained by intergovernmental cooperation. While specific function brought about international

cooperation between states (and non-state actors), states maintained their sovereignty and varied degrees of independence of action.

The third wave of regional cooperation in Asia could be characterized as a search for identity. This deeper cooperation has been raised under the term 'community'. The proposed initiatives of the EAEG, the EAEC to the APT, and the ultimate goal of establishment of the EAC have been created without external superpowers. Issues covered in this wave of cooperation are not limited in one aspect but they are multidimensional, including economic, political, security, social and cultural, etc. However, they are, like the cooperation initiatives in the first and second wave, intergovernmental cooperation. None of these created a supranational authority.

2. The Complexity of the Overlapping Intergovernmental Cooperation Frameworks

It was only with the post Second World War emergence of newly independent nation states that there is a new awareness of Asia as a region different than it its Cold War geo-strategic image. Asia's ethnic, cultural, and historical diversities are the basis of relations. Since independence, the states have pursued different political and economic paths.

Yet, regional cooperation in Asia has occurred since 1950s. It was created in a according to geo-strategic policies between the U.S. and Soviet Union during the Cold War. Speaking of security-oriented cooperation in Southeast Asia, the most notable example is ASEAN. However, there were a number of attempts at creating regional organizations made before ASEAN. These earlier attempts, such as the Southeast Asia Treaty Organization (SEATO), the Association of Southeast Asia (ASA), MAPHILINDO, and the Asian and Pacific Council (ASPAC), failed largely because they were initiated by outside powers and meant to serve the interests of external actors.[55]

SEATO was created on September 8, 1954 under the Southeast Asia Collective Defense Treaty, or the Manila Pact, by representatives of Australia, France, Great Britain, New Zealand, Pakistan, the Philippines, Thailand, and the United

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[55] Shaun Narine, *Explaining ASEAN: Regionalism in Southeast Asia* (Colorado: Lynne Rienner Publishers, 2002), p. 10.

States. It was formed in order to oppose further Communist gains in Southeast Asia after the French withdrawal from Indochina. SEATO relied on the military forces of member nations and joint maneuvers were held annually. Unable to intervene in Laos or Vietnam and at all collectively due to the lack of unanimity, the future of the organization was in doubt by 1973. SEATO was ultimately disbanded on June 30, 1977. In the end, SEATO proved to be more of an anti-communist military alliance than a true regional organization. Only two SEATO members, the Philippines and Thailand, were in fact Southeast Asian countries.[56]

SEATO was very different from NATO in Europe. No military units were assigned to SEATO, and there was no unified military command structure. The only obligation of the allies was to consult. Most activities that occurred under the SEATO umbrella were already taking place on a bilateral basis. SEATO's significance as an alliance was not really military – it was political. It provided a multilateral political framework for U.S. containment strategy (the Truman Doctrine) in Southeast Asia.

Later, between 1961 and 1963, Thailand, the Philippines, and Malaya joined the **ASA**. In the planning stage from 1959, ASA's original anti-communist inspiration was diluted in an organizationally loose grouping in which the political agenda was hidden from its public goal of the promotion of economic, social, scientific, and cultural cooperation in Southeast Asia. Indonesia charged that ASA was a SEATO plot to extend its influence in Southeast Asia. Cooperation within ASA foundered on the Philippines bread with Malaysia when the disputed Sabah (North Borneo) territory was incorporated into Malaysia in September 1963. Nevertheless, the ASA was important as the foundation on which ASEAN was constructed, and merits further exploration.[57]

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[56] See more details about SEATO in ASEAN Secretariat, *ASEAN: economic co-operation transition & transformation* (Singapore: Institute of Southeast Asian Studies, 1997). See Norman D. Palmer, "SEATO, ASA, Maphilindo and ASPAC," First published 1991. Reprinted in abridged form in *The ASEAN Reader*, complied by K.S. Sandhu et al. (Singapore: Institute of Southeast Asian Studies, 1992), pp. 27-29. See also Donald E. Weatherbee, *International Relations in Southeast Asia: The Struggle for Autonomy* (Oxford: Rowman & Littlefield Publishers, Inc., 2005), pp. 59-61; and Narine, pp. 9-12.

[57] See more details about ASA in Weatherbee, p. 68. See ASEAN Secretariat (1997); Narine (2002); Palmer (1992); and Bernard G. Gordon, *The Dimensions of Conflict in Southeast Asia* (Englewood Cliffs, N.J.: Prentice-Hall Publishers, Inc., 1996), p. 102.

The **MAPHILINDO** was stillborn at a Malaya-Philippines-Indonesia summit meeting in Manila, 31 July – 5 August 1963. It was established under the Manila Accords. Theoretically, it provided a loosely articulated quasi-confederal framework for relations among the three nations that had been badly strained by the proposed Malaysian Federation. A Philippines invention, MAPHILINDO was in fact a diplomatic device through which the Philippines and Indonesia sought to frustrate or delay the creation of the Malaysian Federation. The proclamation of Malaysia one month later extinguished MAPHILINDO.[58]

Some scholars think that this tripartite grouping cannot be viewed as Southeast Asian regional cooperation since it was exclusive to the "three nations of Malay origin." With regard to the respective American and British security ties of the Philippines and Malaya, it was agreed that the bases were temporary and should not be used to subvert directly or indirectly the independence of any of the three countries. It was also stated that the three countries would not use collective defense arrangements to serve the interests of any of the big powers.

In 1966, South Korean President Park Chung-Hee organized the **ASPAC**. Designed to be a multi-regional organization for non-communist nations of the Western Pacific, its main purpose was to organize free countries in the region to form a second front for U.S. military action in Vietnam. Implicitly, it also aimed to assist member countries, namely, Malaysia, New Zealand, Japan, Australia, Taiwan, the Philippines, South Korea, Thailand, and South Vietnam, deal with external aggression and to provide a framework for future cooperation efforts.[59]

The most notable example of regional grouping in Asia is the **ASEAN** (See Map 3.3). The establishment of ASEAN was triggered by a war in neighboring Indochina (Laos, Cambodia, and Vietnam) that threatened the stability in the area. ASEAN was founded under the 1967 Bangkok Declaration by Indonesia, Malaysia,

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[58] See more details about MAPHILINDO in Weatherbee, pp. 68-69. See ASEAN Secretariat (1997); Narine (2002); Palmer (1992); and Gordon (1996).

[59] See more details about ASPAC in ASEAN Secretariat, p. 16. See Weatherbee, pp. 68-69; Narine (2002); Palmer (1992); and Gordon (1996).

the Philippines, Singapore, and Thailand. After independence, Brunei Darussalam joined ASEAN on 8 January 1984.[60]

The Bangkok Declaration states that the aims and purposes of the Association are to accelerate economic growth, social progress and cultural development in the region, and to promote regional peace and stability through abiding respect for justice and the rule of law amongst countries in the region, as well as adherence to the principles of the United Nations Charter.[61] However, the declaration did not state any cooperation politically.[62] It was only at the first Heads of Government Meeting (Summit) at Bali in 1976 that political cooperation was provided for with the Declaration of ASEAN Concord 1976.[63]

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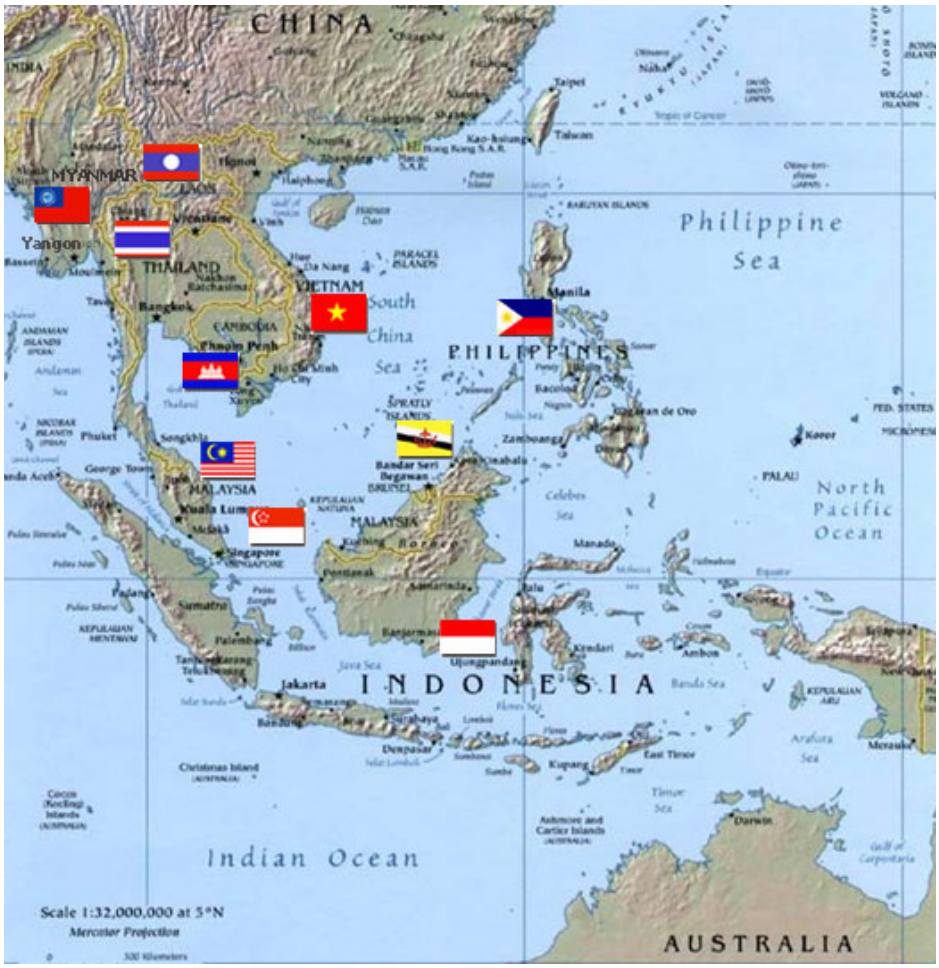
[60] See more details about ASEAN in ASEAN Secretariat (1997); Thanat Khoman, "ASEAN Conception and Evolution," in *The ASEAN Reader* (Institute of Southeast Asian Studies, Singapore, 1992); Estrella D. Solidum, *The Politics of ASEAN: An Introduction to Southeast Asian Regionalism* (Singapore: Eastern Universities Press, 2003); Yoshiyuki Hagiwara, "The Formation of ASEAN," First published 1973. Reprinted in abridged form in *The ASEAN Reader*, complied by K.S. Sandhu et al. (Singapore: Institute of Southeast Asian Studies, 1992), pp. 35-37; Khaw Guat Hoon, "the Evolution of ASEAN, 1967-1975," First published 1984, Reprinted in abridged form in *The ASEAN Reader*, compiled by Sanhu et al. (Singapore: Institute of Southeast Asian Studies, 1992), pp. 38-42; Tim Huxley, "ASEAN Security Cooperation-Past, Present and Future," in *ASEAN into the 1990s*, ed. Alison Broinowski (London: Macmillan, 1990), pp. 83-111; Amitav Acharya, "A New Regional Order in South-East Asia: ASEAN in the Post-Cold War Era," *Adelphi Paper* no. 279 (London: International Institute for Strategic Studies, 1993); Amitav Acharya, "The Association of Southeast Asian Nations: 'Security Community' or 'Defence Community?'," *Pacific Affairs* 64, no.2 (summer 1991): 159-178; Weatherbee (2005); Narine (2002). See also http://www.aseansec.org.

[61] See more details in Appendix XI (The ASEAN Declaration).

[62] While political cooperation was not an expressed goal in the Bangkok Declaration, indications of such efforts were apparent at the ad hoc or ministerial level. For example, ASEAN foreign ministers called for the establishment of a Zone of Peace, Freedom, and Neutrality in Southeast Asia (ZOPFAN). See more details in "Zone of Peace, Freedom and Neutrality Declaration," http://www.aseansec.org/1215.htm.

[63] See Appendix XI (Declaration of ASEAN Concord).

Figure 2.7 Map of ASEAN[64]



The Bali Conference convened in February of 1976. It was the first meeting of the ASEAN heads of states. It stated the principles for achieving ASEAN's objectives. These are: taking a common ASEAN stand internationally for matters affecting the region; promoting friendly relations and cooperation with other nations; intensifying government and private efforts to develop a regional identity; and placing military cooperation outside the framework of ASEAN. Political cooperation focused

[64] http://www.aseansec.org/69.htm.

on both resolving disputes and the more positive aspect of showing the direction to peace and stability in the region. The results of the 1976 Bali Summit reflected the determination of member countries to project ASEAN as a purposeful group intent on fostering regional cooperation. Three important documents were signed: the Treaty of Amity and Cooperation in Southeast Asia (TAC), the Declaration of ASEAN Concord, and the Agreement for the Establishment of the ASEAN Secretariat.

The Declaration of ASEAN Concord primarily addressed the economic side of security. It briefly mentioned areas of social and cultural cooperation but spent its greatest effort to define areas of economic cooperation. The declaration also encouraged military cooperation between its members, albeit on a non-ASEAN basis.[65]

The TAC promised noninterference in the internal affairs of one another; settlement of differences or disputes by peaceful means; and the renunciation of the threat or use of force. Most significantly, the TAC was left open for accession by other states in Southeast Asia. In the later expansion of ASEAN, accession to TAC was a requirement of membership, but not a guarantee of admittance. It was an explicit gesture indicating willingness for peaceful coexistence between ASEAN Southeast Asia and communist Southeast Asia.[66]

The ending of the Cold War and the Third Indochina War (or the Sino-Vietnamese War in 1979) were the basis of ASEAN's political cement. The question was what new cement might functionally harmonize the multiple and diverse national interests of the member states in the ASEAN framework. ASEAN's first effort to grapple with the tasks of cooperation in the absence of an explicit external security threat was contained in the "Singapore Declaration of 1992."

ASEAN since the early 1970s was created with a fairly loose institutional structure.[67] The Annual Ministerial Meeting (AMM) of the ASEAN foreign ministers was the organization's main decision making body. During its formative period, the

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[65] See more details in Appendix XI (Declaration of ASEAN Concord).

[66] Weatherbee, pp. 73-74. See more details in Appendix XIII (Treaty of Amity and Cooperation in Southeast Asia).

[67] See Appendix XIII (ASEAN's Organizational Structure Before the Bali Summit).

ASEAN structure produced hundreds of recommendations, but few were actually implemented, and no one group had a true overview of the organization's activities.

After the Bali Summit in 1976, ASEAN was reorganized.[68] ASEAN held infrequent Heads of Government meetings. The AMM remained the de facto governing body of ASEAN. A weak central ASEAN Secretariat with limited functions and coordinating role was established. The secretariat was under-funded and understaffed, and the secretary-general was accorded a very low status. The ASEAN Secretariat was unable to gain a significant role in policy making or any other function that might push the organization toward greater integration. However, this restructuring allowed ASEAN to encompass more regional economic activity, but it remained an instrument of its member states. These formed the basic components of ASEAN until it was reorganized again in 1992.

In the post-Cold War period, ASEAN has expanded rapidly. The former rivalries of ASEAN, Vietnam joined ASEAN on 28 July 1995, Lao PDR and Myanmar entered to the ASEAN on 23 July 1997. On 30 April 1999, Cambodia has become the latest member of ASEAN.

The January 1992 Singapore summit meeting of the ASEAN heads of government was the fourth summit in twenty-five years. It was the first opportunity for ASEAN member nations to respond collectively to the dramatic restructuring of the regional international environment. The ASEAN heads of government pledged in the Singapore Declaration of 1992 to move toward a higher level of political and economic cooperation to secure regional peace and security.[69] The signing of a "Framework Agreement on Enhancing ASEAN Economic Cooperation" during the Summit in Singapore was considered a landmark. Its goal was the establishment of an ASEAN Free Trade Area (AFTA).[70]

Singapore Declaration marked a new willingness by ASEAN heads of government to strengthen ASEAN's bureaucratic structures. The leaders showed their determination take nominal charge of the organization by institutionalizing the

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[68] See Appendix XIV (ASEAN's Organizational Structure, 1983).

[69] See more details in Appendix XVI (Singapore Declaration of 1992).

[70] See Appendix XVII (Agreement on the Common Effective Preferential Tariff (CEPT) Scheme for the ASEAN Free Trade Area).

ASEAN summits.[71] It also reorganized the bureaucratic structure for ASEAN economic cooperation. Moreover, the ASEAN Secretariat was designated the secretary-general of ASEAN with ministerial status and a five-year term.[72] The secretary-general's mandate was expanded to initiate, advice, coordinate, and implement ASEAN activities.[73]

The Singapore Declaration engendered numerous studies attempting to layout projects and programs to give new emphasis on the economic and social side of ASEAN. The most ambitious was the 1997 ASEAN Vision 2020. The ASEAN Vision 2020, adopted by the ASEAN Leaders on the 30th Anniversary of ASEAN, agreed on a shared vision of ASEAN as a concert of Southeast Asian nations – outward looking, living in peace, stability and prosperity, bonded together in partnership in dynamic development and in a community of caring societies.[74] The 1998 Hanoi Plan of Action was papered with statements of intentions to foster, promote, study and strengthen what are essentially intergovernmental cooperative activities, not regional integrative structures.[75]

At the 2003 summit meeting in Bali, ASEAN's chairmanship agreed on the Bali Concord II, signifying a rededication to the political, economic, and social goals that was expressed more than a quarter of a century earlier at the first Bali Summit. The goal was to create a dynamic, cohesive, resilient and integrated ASEAN Community by the year 2020.[76] Later, the Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015 pushed forward the target date to 2015. This ASEAN Community is to be supported by the three pillars of political and security cooperation by building ASEAN Security Community (ASC), economic cooperation by forming ASEAN Economic Community (AEC), and socio-cultural

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[71] See Appendix XVII (New Organizational Structure of ASEAN, 1995).

[72] See Appendix XIX (ASEAN Secretariat).

[73] Ibid.

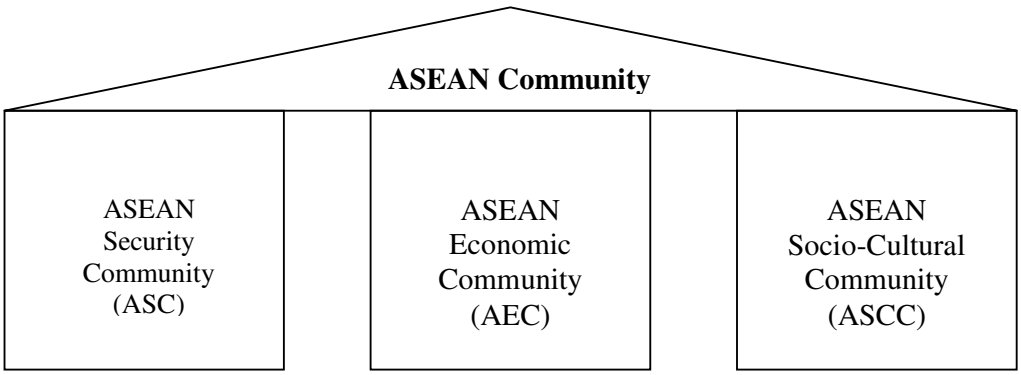
[74] See more details in Appendix XX (ASEAN Vision 2020).

[75] It states that "To restore confidence, regenerate economic growth…as well as strengthening financial system and capital markets enhanced by closer consultations…" See more details in Appendix XXI (Hanoi Plan of Action). See also Report of the ASEAN Eminent Persons Group (EPG) on Vision 2020 (Executive Summary) in Appendix XXII.

[76] See Appendix XXIII (Declaration of ASEAN Concord II).

cooperation by establishing ASEAN Social and Cultural Community (ASCC) (See Figure 2.8).

Figure 2.8 Three Pillars of ASEAN Community[77]



The ASC concept was vigorously promoted by Indonesia. It allowed Jakarta to reclaim its position as the strategic center for regional security. The goal is heightened political and security cooperation. The Bali Concord II states that

> *The ASC shall abide by the UN Charter and other principles of international law and uphold ASEAN's principles of non-interference, consensus-based decision making, national and regional resilience, respect for national sovereignty…*

The spur is the war on terrorism and transnational crime. It does not provide for new regional security structure but based on existing instruments like ZOPFAN, SEANWFZ, and TAC, also working through ARF.

Speaking about the AEC, Singapore and Thailand pressed for the AEC to meet the growing competition from India and China. The goal is to establish ASEAN as a single market and production base. The AEC will be achieved largely through carrying out the stalled implementation of existing agreements on AFTA, services,

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[77] See Appendix XXIII (Declaration of ASEAN Concord II).

and investment. The ASEAN Leaders, at the 12th ASEAN Summit in the Philippines on 13 January 2007, agreed that the target date for creating the AEC be brought forward by five years to 2015. The AEC has its roots in ASEAN Vision 2020 and the 2003 Bali Concord II. The creation of a stable, prosperous and highly competitive economic region is the goal of ASEAN economic integration.[78]

The ASSC proposal is the most nebulous, but paradoxically the most achievable of the Bali Concord II's three community frameworks. In consonance with the goal set by ASEAN Vision 2020, it envisages a Southeast Asia bonded together in partnership as a community of caring societies and founded on a common regional identity. The ASCC shall foster cooperation in social development aimed at raising the standard of living of disadvantaged groups and the rural population, and shall seek the active involvement of all sectors of society, in particular women, youth, and local communities. It is directed not to the security of the state but to the welfare (security) of the individual.[79]

If the goal of an ASEAN Community is to be realized, it will require a degree of national political wills and capabilities that heretofore have been absent. The test will be in implementing the plans of action designed to give substance to the frameworks adopted at Bali. The Bali Concord II reiterated the fundamental tenets of ASEAN way: consensus and noninterference. The framework does not provide for structural alterations that would give ASEAN any executive role in community building. The goal is community minus any kind of supranational authority. Organizationally, ASEAN essentially will remain unchanged, which advocates of integration see as a major impediment to community building.[80]

In order to boost the efficiency and strengthen cooperation in ASEAN, during the ASEAN Summit 2005, there has been a proposal to establish the ASEAN Charter mentioned in the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter. It states that the ASEAN Charter will serve as a legal and institutional framework of ASEAN. Also, it will reaffirm principles, goals and ideals contained in ASEAN's milestone agreements. It maintains:

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[78] See more details in Appendix XXIII (Declaration of ASEAN Concord II).
[79] Ibid.
[80] Weatherbee, p. 110.

> *…decision making on the basis of equality, mutual respect and consensus;…mutual respect for the independence, sovereignty, equality, territorial integrity and national identity of all nations;… the right of every state to lead its national existence free from external interference, subversion or coercion and non-interference in the internal affairs of one another.*[81]

ASEAN Leaders mandated the Eminent Person Groups (EPGs) on the ASEAN Charter to consider bold and visionary ideas to strengthen ASEAN. The EPGs will study and give recommendations on ASEAN Charter. One of the most important issues that cannot be ignored is the restructure of the ASEAN Secretariat.[82] The proposals of establishment of full time permanent representatives and the increase authority of ASEAN Secretary General are among crucial issues.[83]

After 40 years, ASEAN is now at a critical turning point. Although ASEAN is one of the most successful regional organizations today, there is no guarantee that it will continue to be relevant in the coming decades and remain the driving force in regional cooperation, in particular the EAC. While the ASEAN Charter will bring about a long overdue legal framework, ASEAN must reposition itself.

Economically speaking in the first wave of regional cooperation in Asia, most of them are, like those of security alliances, influenced by the superpowers. The difference is that of economic-oriented have played vital roles by non-governmental cooperation. Those are the Pacific Basin Economic Council (PBEC) and the Pacific Trade and Development Conference (PAFTAD).

The **PBEC**, founded in 1967, is the oldest independent business association in the Asia-Pacific, with membership comprising executives from economies bordering the Pacific Rim and beyond. Serving as the independent voice for businesses in the

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[81] See more details in Appendix XXIV (Kuala Lumpur Declaration on the Establishment of the ASEAN Charter).

[82] See Appendix XXV (Organizational Structure of the ASEAN Secretariat) and Appendix XXVI (Subsidiary Bodies of the ASEAN Committees).

[83] See more details in Appendix XXVII (Report of the Eminent Persons Group (EPG) on the ASEAN Charter (Executive Summary). See also Appendix XXVIII (Cebu Declaration on the Blueprint of the ASEAN Charter) and Appendix XXIX (Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015).

Pacific, PBEC provides a meeting place for the diversity of industries, services, and professions. It has unrivalled access to governments, the private sector, and civil society organizations in the vast region. As PBEC enters the 21st century, many of its original goals have been met. Trade and investment liberalization initiatives have made substantial progress, a sense of common regional identity has been institutionalized in APEC, and the Asia Pacific is demonstrably wealthier than it was in 1967, when poverty reduction was the benchmark for many countries.[84]

The **PAFTAD** was established as an academic conference series in 1968 to promote research and discussion on economic policy issues pertaining to the Pacific. It has been the driving force behind the development on trade and development issues as well as important economic policy questions facing the region. It was eventually developed into a private, non-governmental informal organization as a network of economists throughout the Asia Pacific. The issues PAFTAD has identified and the ideas it has generated have been taken up by national governments and have shaped the agenda of regional organizations including APEC and PECC. The focus of the conference was an examination of existing and future possible trading arrangements, particularly the feasibility of a Pacific free trade area.[85]

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[84] See more details in the Pacific Basin Economic Council (PBEC), http://www.pbec.org/AboutPBEC.aspx (10 May 2007).

[85] See more details in PAFTAD International Secretariat, Asia Pacific School for Economics and Management (APSEM); The Australian National University, http://www.pids.gov.ph/paftad/about_paftad.html; Pacific Trade and Development Conference, http://www.pids.gov.ph/paftad/about_paftad.html; and http://web.archive.org/web/20050618042859/apseg.anu.edu.au/paftad/about/about.php.

REPORT OF THE EMINENT PERSONS GROUP (EPG) ON THE ASEAN CHARTER[86]
December 2006

EXECUTIVE SUMMARY (excerpt)

1. ASEAN Leaders mandated us, the Eminent Persons Group (EPG) on the ASEAN Charter to consider bold and visionary ideas to strengthen ASEAN. We highlight below some of our key recommendations which are more fully elaborated in our Report of the EPG to ASEAN Leaders, which contains our Recommendations for Inclusion in the ASEAN Charter.
2. After 40 years ASEAN is now at a critical turning point. Although ASEAN is one of the most successful regional organisations today, there is no guarantee that it will continue to be relevant in the coming decades and remain the driving force in regional cooperation. While the ASEAN Charter will bring about a long overdue legal framework, ASEAN must reposition itself. It must address the growing challenges and opportunities of regional integration, the major shifts in the Asian landscape brought about by the rise of China and India and Asia's widening links with the rest of the world.

Fundamental Principles and Objectives (…..)

Towards an ASEAN Community

4. Regional integration in ASEAN is accelerating and expanding far beyond that envisaged in the ASEAN Declaration of 1967. ASEAN economies are growing and are now more inter-linked. This broader scope of cooperation entails the need for greater political commitment to realise the vision of an ASEAN Community. The EPG recommends that:
   - ASEAN Leaders should meet more often to give greater political impetus to ASEAN's community building. The ASEAN Summit should also be renamed the ASEAN Council with provisions for Leaders to meet at least twice a year.
   - Formation of three Ministerial-level Councils reporting to ASEAN Leaders to oversee the three key aspects of building an ASEAN Community (political-security, economic, and socio-cultural) and resolve many of the issues requiring inter-sectoral coordination.
   - Creation of a Single Market with free movement of goods, ideas and skilled talent along with efforts to harmonise regional economic policies and strengthen regional linkages and connectivity.

Resource Mobilisation and Narrowing the Development Gap (…..)

Taking Obligations Seriously (…..)

Strengthening Organisational Effectiveness

7. The Secretary-General and the ASEAN Secretariat play a pivotal role in carrying out the goals of the ASEAN Community. The ASEAN Secretariat was last restructured in the early 1990s. However, ASEAN's scope of activities has increased tremendously. It is essential to strengthen the ASEAN Secretariat and enhance its policy analysis and planning, administrative, and monitoring capabilities. The EPG recommends:
   - The Secretary-General be empowered to take on a greater role to meet the growing expectations of Member States as ASEAN steps up its regional integration and international cooperation efforts.
   - The Secretary-General be supported by four instead of the current two Deputy Secretaries-General (DSG). They will assist the Secretary-General in overseeing political-security, economic, socio-cultural cooperation as well as external relations, and administrative and budgetary affairs.
   - Establishment of full time Permanent Representatives of Member States to ASEAN, based in Jakarta.
   - ASEAN's Dialogue Partners can also accredit Ambassadors to ASEAN.
   - Recruitment and development of a body of dedicated professional staff to serve in the ASEAN Secretariat.
   - Step up efforts to streamline ASEAN, in particular to improve the efficiency of ASEAN meetings.
   - ASEAN to be conferred legal personality and be able to engage in legal proceeding.
   - Invigorate the ASEAN Foundation to play a more active role in promoting public awareness of ASEAN**.**
   - Establishment of an ASEAN Institute to support the Secretary-General in research, policy analysis, strategic planning, and outreach programmes as well as collaboration with the Track II**.**

More Effective Decision-making

8. ASEAN's consensus style of decision making has served ASEAN well and should be preserved as the guiding principle. Consensus should aid, but not impede, ASEAN's cohesion and effectiveness. As the range of activities within ASEAN increases, ASEAN should consider alternative and flexible decision-making mechanisms. In this connection, the EPG recommends:
   - Decision-making by consultation and consensus should be retained for all sensitive important decisions. However, if consensus cannot be achieved, decisions may be taken through voting, subject to rules of procedure determined by the ASEAN Council**.**
   - The flexible application of "ASEAN minus X" or "2 plus X" formula may be applied, subject to the discretion of the relevant ASEAN Community Councils.

Towards A People-Oriented ASEAN (…..)

[86] http://www.aseansec.org/19247.pdf.

The second wave of cooperation began in the late 1980s. Those, economic-oriented are the Pacific Economic Cooperation Council (PECC) and the Asia-Pacific Economic Cooperation (APEC). Political and security concerned are the Council for Security Cooperation in Asia-Pacific (CSCAP) and the ASEAN Regional Forum (ARF).

The **CSCAP** is a non-governmental (second tier) process for dialogue on security issues in Asia Pacific. At a meeting in Seoul on 1-3 November 1992, representatives of strategic studies centers from ten countries[87] decided that there was a need to provide a more structural regional process of a non-governmental nature in order to contribute to the efforts towards regional confidence building and enhancing regional security through dialogues, consultation and cooperation. The concept of CSCAP was widely canvassed amongst government officials and regional security analysts, and an agreement was reached to formally establish CSCAP at a meeting in Kuala Lumpur on 8 June 1993. The CSCAP Charter was adopted at a meeting of the Steering committee Pro Tem in Lombok, Indonesia, on 16 December 1993. The Charter was subsequently amended in August 1995.[88] The CSCAP has been described as "the most ambitious proposal to date for a regularized, focused and inclusive non-governmental process on Asia Pacific security matters." Currently, there are twenty member committees at CSCAP[89] including members from all the major countries in the Asia Pacific. It is now looking forward to consolidate its links to the ASEAN Regional Forum (ARF).[90]

With the end of Cold War, there was no clear threat against which Asia Pacific states could organize regional alliances. However, there were numerous smaller disputes that could exacerbate intraregional tensions. Moreover, regional states began to appreciate that security encompasses economic, social, ecological and political

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[87] Those ten countries are Australia, Canada, Indonesia, Japan, South Korea, Malaysia, the Philippines, Singapore, Thailand and the USA.

[88] See more details in Jörn Dosch, "PMC, ARF and CSCAP: Foundations for a Security Architecture in the Asia Pacific?" Working Paper no. 307 (Canberra: Strategic and Defence Studies Centre, June 1997). See also The Council for Security Cooperation in the Asia Pacific at http://www.cscap.org/index.htm.

[89] New members are Cambodia, the European Union, India, Mongolia, New Zealand, North Korea, Papua New Guinea, the People's Republic of China, Russia, Vietnam, and one observer from the Pacific Islands Forum.

[90] The Council for Security Cooperation in the Asia Pacific.

factors. Transnational factors such as pollution, crime, and terrorism needed to be addressed on a regional basis. In addition, the security of Southeast Asia and Northeast Asia were clearly connected; conflict in one sub region could easily affect economic prospects in the other. Therefore, ASEAN members have sought to engage their external partner in the ASEAN way of conflict resolution; with its strengths – multilateral consultation and declaratory acceptance of norms of behavior – and limitations – consensus and non-interference. These issues became the institutional framework for ARF.[91]

The **ARF** is the first region-wide Asia-Pacific multilateral forum for official consultations on peace and security issues. An outgrowth of the annual ministerial-level meeting of members of ASEAN and the states serving as ASEAN's dialogue partners, the ARF provides a setting for discussion and preventive diplomacy and the development of cooperative responses to regional problems. Those are for building confidence in the region.[92]

The inaugural ARF meeting was held in July 1994 in Bangkok, Thailand, and was attended by 10 ASEAN members and ASEAN's 10 dialogue partners.[93] Unique among international organizations of its type, the ARF is characterized by minimal institutionalization, decision making by consensus, and the use of both "first track" (official) and "second track" (non-official) diplomacy. Whereas first-track diplomatic

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[91] Narine, pp. 102-113.

[92] See more details about ARF in Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order* (London: Routledge, 2001); and Jörn Dosch, "Regional security in the Asia-Pacific: Sources of conflict and prospects for cooperation," in *The New Global Politics of the Asia-Pacific*, eds. Michael K. Connors, Rémy Davison, and Jörn Dosch (London and New York: RoutledgeCurzon, 2004), pp. 119-139. See also Carlyle Thayer, *Multilateral Institutions in Asia: The ASEAN Regional Forum* (Honolulu: Asia-Pacific Center for Security Studies, 2000); Shankari Sundararaman, "The ASEAN Regional Forum: Reassessing Multilateral Security in the Asia Pacific," *Strategic Analysis* 22, no. 4 (1998): 655-665; Sheldon W. Simon, "Security Prospects in Southeast Asia: Collaborative Efforts and the ASEAN Regional Forum," *The Pacific Review* 11, no. 2 (1998): 195-212; Dosch (1997). See also ASEAN Regional Forum (ARF), https://www.aseanregionalforum.org/.

[93] Namely Australia, Canada, China, the European Union, India, Japan, South Korea, Russia, New Zealand, and the United States. Papua New Guinea and Mongolia. The current participants in the ARF are as follows: Australia, Bangladesh, Brunei Darussalam, Cambodia, Canada, China, European Union, India, Indonesia, Japan, Democratic Peoples' Republic of Korea, Republic of Korea, Laos, Malaysia, Myanmar, Mongolia, New Zealand, Pakistan, Papua New Guinea, Philippines, Russian Federation, Singapore, Thailand, Timor Leste, United States, Vietnam.

meetings consist of gatherings of leading officials to discuss security measures, second-track meetings consist of scholars, government individuals not acting in their official capacity, private think tanks, and other individuals and organizations.[94]

The **PECC** was established in 1980 in Canberra, Australia at the initiative of Mr. Masayoshi Ohira and Mr. Malcolm Fraser, then Prime Ministers of Japan and Australia.[95] It is the only non-government official observer of APEC. It is a unique tripartite partnership of senior individuals from business and industry, government, academic and other intellectual circles. PECC is policy oriented, pragmatic and anticipatory. Its work program aims for better cooperation and policy coordination in areas including trade, investment, and finance. It has provided information and analytical support to APEC ministerial meetings and working groups. Also it channels and facilitates private sector participation in the formal process. It aims to serve as a regional forum for cooperation and policy coordination to promote economic development in the Asia-Pacific region.[96]

The **APEC** was chiefly an Australian-Japanese trade initiative. In January 1989, Australian Prime Minister Bob Hawke called for more effective economic cooperation across the Asia Pacific region. Attended by political ministers from twelve countries, the meeting concluded with commitments for future annual meetings. Since APEC's birth in 1989, it has grown to encompass 21 members spanning four continents,[97] representing the most economically dynamic region in the

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[94] The Council for Security Cooperation in the Asia Pacific, which discusses issues such as preventive diplomacy and confidence-building measures, is an example of second-track diplomacy. The central role of second-track procedures distinguishes ARF from most other international organizations, which generally treat non-official diplomatic measures as residual and peripheral.

[95] Attended by 11 economies (Australia, Canada, Indonesia, Malaysia, Japan, Korea, New Zealand, the Philippines, Singapore, Thailand and the United States) and Pacific Island states (Papua New Guinea, Fiji and Tonga).

[96] PECC now has 26 Member Committees, including two associate members, and two institutional members from all over Asia Pacific region. Each Member Committee comprises tripartite, senior representatives. See more details in The Pacific Economic Cooperation Council, http://www.pecc.org/.

[97] APEC members are Australia, Brunei Darussalam, Canada, Chile, People's Republic of China, Hong Kong (China), Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, The Republic of the Philippines, The Russian Federation, Singapore, Chinese Taipei, Thailand, United States, and Viet Nam.

world, accounting for approximately 40 percent of the world's population, 56 percent of world GDP and 48 percent of world trade. [98]

APEC is an economic intergovernmental forum for a group of Pacific Rim countries to discuss matters on regional economy, cooperation, trade and investment. Its first principle is 'open regionalism'. In stating this, APEC members commit themselves to non-discriminatory trade and investment policies in accordance with the WTO's Most Favored Nations (MFN) principle. APEC's second principle is that it is a consensual voluntary body that operates without binding rules. This principle reflects the concern of Asian states that they do not want to be forced into unwanted commitments. APEC has the rudiments of an institutional structure, with a secretariat based in Singapore and annual meeting. In this respect, it has developed consistency as an international forum.

Regional cooperation in Asia occurs in the form of overlapping intergovernmental cooperation among states. Those frameworks of cooperation encompass almost the same group of states. Those arrangements can be observed through state-to-state cooperation. Member states maintain their full sovereignty and authority. Cooperation only occurs with specific purposes. For example, those overlapping frameworks between ARF and APEC are mainly found between member states on issues such as terrorism.

Moreover, some frameworks have been seen as impetus that stimulates different arrangements to move forward in order to avoid displacement of the organization. This can be seen in AFTA, a free trade area framework within the ASEAN. After its 1992 founding, AFTA has lagged behind its goal. The stagnation came from both internal and external factors, within nations and regions. However, after accelerated liberalization in APEC, ASEAN recognized the importance of its

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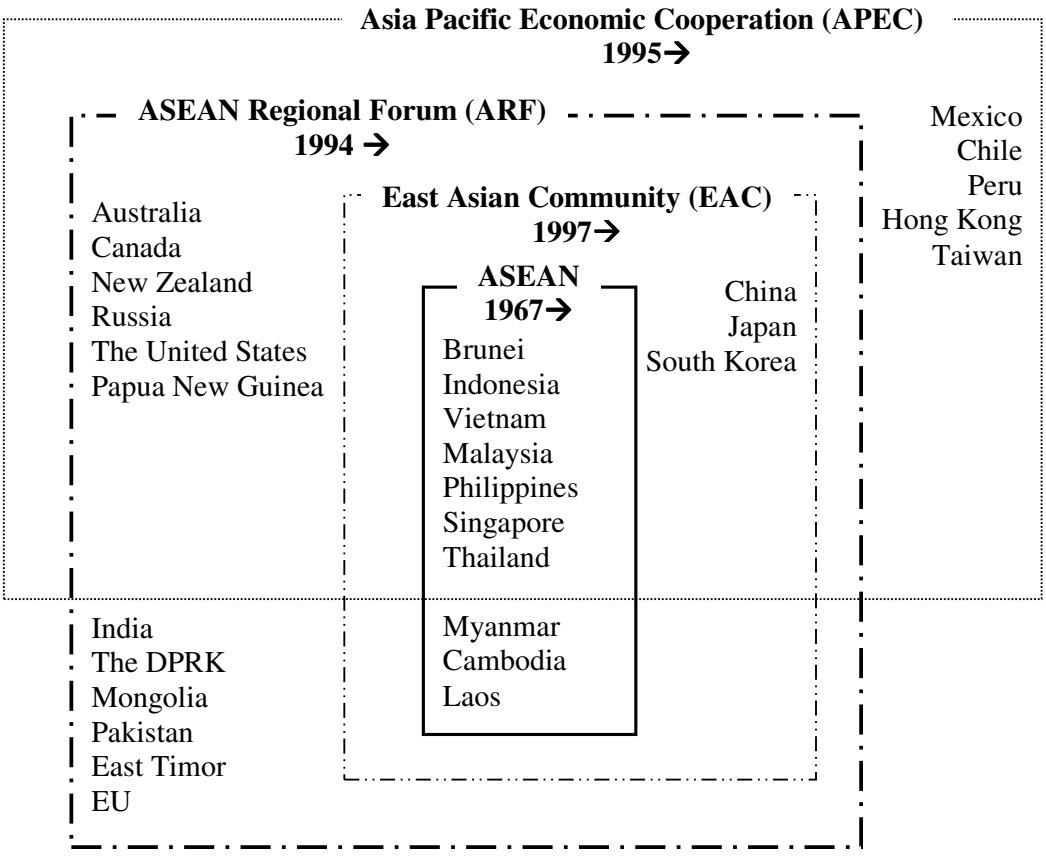
[98] See more details about APEC in Martin Rudner, "APEC: The challenges of Asia Pacific Economic Cooperation," *Modern Asian Studies* 29, no. 2 (May 1995): 403-437; Rémy Davison, "Globalization and regionalism in the Asia-Pacific," in *The New Global Politics of the Asia-Pacific*, eds. Michael K. Connors, Rémy Davison, and Jörn Dosch (London and New York: RoutledgeCurzon, 2004), pp. 154-156; Peter Drysdale and Andrew Elek, "APEC: Community-Building in East Asia and the Pacific," in *From APEC to Xanadu*, eds. Donald C. Hellman and Kenneth B. Pyle (Armonk, N.Y.: M.E. Sharpe, 1997), pp. 37-69; and The Asia-Pacific Economic Cooperation, http://www.apec.org/. See also The Asia-Pacific Economic Cooperation, APEC Australia 2007, http://www.apec2007.org/apec.aspx?inc=ap/ap.

own economic arrangement progress. This illustrates the phenomena where one arrangement motivates others to make rapidly progress in the overlapping issues concerned.

Figure 2.9 Asia Regionalism[99]



[99] Kajit Jittasevi, *องค์การระหว่างประเทศ* (International Organizations), Faculty of Political Science, Thammasat University, Textbook Project, (forthcoming).

3. Consolidation or Fragmentation of Regional Cooperation in East Asia

There have been several efforts to establish international cooperation among East Asian countries. However, they must include extra-regional hegemony to succeed. Fortunately, there have been numerous attempts at creating organizations to serve the interests of regional states that were not led by extra-regional powers. The first proposal for regional grouping in East Asia came in 1990 from former Malaysian Prime Minister Mohamad Mahathir. Following the unsatisfactory progress of the Uruguay Round Ministerial meeting in December 1990, he proposed the formation of a regional trade grouping – comprised of ASEAN countries, Japan, China, Korea, and Hong Kong.

This group of economies was called the **EAEG**. Objectives behind his proposal were to establish a regional trade arrangement for the group in response to the emergence of preferential regional trade arrangements elsewhere, and to exercise a global impact on trade issues. Naturally, the U.S., Australia, Canada and New Zealand objected to the EAEG proposal. Having faced opposition from Western countries, the original proposal was modified and proposed again as the **EAEC** downgraded to a loose consultative body or an informal 'caucus' without institutional identity within the APEC. In October 1991, ASEAN Economic Ministers considers Mahathir's proposal as useful which would facilitate discussions on regional economic issues.[100]

The United States objected to the EAEG/EAEC initiative on the grounds that it could divide the Asia-Pacific by excluding the U.S., and reduces the effectiveness of trade and investment liberalization process within APEC. Japan showed hesitation in supporting the initiative due to U.S. opposition. For Japan had trade conflicts with

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[100] See more details about EAEG/EAEC in Masahiro Kawai, "Regional Economic Integration and Cooperation in East Asia" (paper presented at the Mid-term Review Workshop, Paris, 19-20 April, 2004), p.15. (A revised version of a draft paper, 07 June, 2004); Lee Poh Ping, Tham Siew Yean, and George T. Yu, eds., *The Emerging East Asian Community: Security & Economic Issues* (Bangi: Penerbi Universiti Kebangsaan Malaysia, 2006), Liu Fu-Kuo, and Philippe Regnier, *Regionalism in East Asia: Paradigm shifting?* (London: RoutledgeCurzon, 2003); Japan Center for International Exchange, *ASEAN-Japan Cooperation: A Foundation for East Asian Community* (Japan: Japan Center for International Exchange, 2003); Richard Stubbs, "ASEAN Plus Three: Emerging East Asian Regionalism?" *Asian Survey* 42, no. 3 (May 2002); Douglas Webber, "Two Funerals and a Wedding? The Ups and Downs of Regionalism in East Asia and Asia Pacific after the Asian Crisis," in *Comparative Regional Integration: Theoretical Perspectives*, ed. Finn Laursen (Hampshire: Ashgate, 2003).

the U.S. and did not wish to make the bilateral relationship worse. Another reason was strategic priorities it placed on the APEC process.

China also took a cautious approach. Interest in the EAEG/EAEC initiative waned eventually in the absence of support from key countries in Northeast Asia. But when the leaders of Japan, China, and Korea were invited to the informal ASEAN Leaders' meeting in December 1997 in the midst of the Asian financial crisis, the de facto APT process began. The EAEG/EAEC initiative can be considered a precursor to the APT processes, because membership of the latter overlaps that of the former. It is also the regional alternative to APEC.

The 1997 Asian economic crisis was an important turning point. It transformed both the environment and structure of East Asian economic growth and integration. After their experience with the Asian crisis, East Asian states have decided that the Western powers, particularly the U.S., are unreliable allies at best. After the crisis, Northeast and Southeast Asians began to construct theirs own mechanisms of regional self-help. A new push for larger regional cooperation emerged: the APT including ASEAN 10 and China, Japan and the Republic of Korea.[101]

The process began in December 1997 with the convening of an informal summit amongst the leaders of ASEAN and their counterparts from East Asia at the sidelines of the Second ASEAN Informal Summit in Malaysia. During the first meeting of the leaders of ASEAN+3 held in Kuala Lumpur on 15 December, East Asian cooperation process began formally. The aim of the meeting was clear—to achieve early economic recovery and to prevent new crisis in the future.

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[101] See more details about ASEAN+3 in H. Dieter, "East Asia's puzzling regionalism," *Far Eastern Economic Review* 164, (12 July 2001); P.J. Katzenstein, "Regionalism and Asia," *New Political Economy* 5, no. 3 (November 2000); Lee, et al. (2006), Liu and Regnier (2003); Japan Center for International Exchange (2003); Stubbs (2002); and Webber (2003).

Figure 2.10 Map of East Asia[102]

In 1998, the APT heads of government commissioned an "eminent persons" East Asian Vision Group (EAVG) to report on measures to intensify intergovernmental cooperative links between Southeast Asia and Northeast Asia. As proposed by President Kim Dae-Jung of the Republic of Korea, the leaders of ASEAN countries, China, Japan, and Korea agreed to establish the East Asia Vision

[102] http://www.lib.utexas.edu/maps/middle_east_and_asia/asia_east_pol_2004.jpg.

Group (EAVG) in December 1998. The EAVG, consisting of eminent intellectuals from ASEAN countries, China, Japan, and Korea, submitted its Report to the Summit in Brunei Darussalam in 2001.[103]

The APT processes were institutionalised in 1999 when the leaders issued a Joint Statement on East Asia Cooperation at their 3rd ASEAN Plus Three Summit in Manila.[104] The APT Leaders expressed greater resolve and confidence in further strengthening and deepening East Asia cooperation at various levels and in various areas, particularly in economic and social, political, and other fields. Since then, a number of key documents have been adopted to set the direction for APT cooperation.[105]

At the Singapore Summit on November 24, 2000, the leaders of ASEAN countries, China, Japan, and Korea agreed to establish the EASG, as proposed by the President of the Republic of Korea. The EASG received the EAVG's report, analyzed it, and made programmatic recommendations to the heads of government at the 2002 APT summit meeting in Phnom Penh. It explored practical ways and means to deepen and expand the existing cooperation among ASEAN, China, Japan, and South Korea, and prepare concrete measures and, as necessary, actions plans for closer cooperation in various areas.[106]

The APT Summit in Phnom Penh in November 2002 endorsed 26 recommendations of the EASG to accelerate regional integration in East Asia, address poverty reduction, narrow development disparities, and maintain peace and stability in East Asia. Also, they agreed to study the feasibility of an East Asia Free Trade Area (EAFTA).

In the midst of the Asian currency crisis, the APT meeting has been held annually and has produced concrete progress towards regional cooperation. An earlier proposal by Japan for an Asian Monetary Fund failed to take off, due to IMF and the U.S. concerns that it might undermine the role of the IMF. Instead, the APT finance

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[103] See more details in Report of East Asia Vision Group, http://www.aseansec.org/pdf/east_asia_vision.pdf.

[104] See Appendix XXX (Joint Statement on East Asia Cooperation).

[105] http://www.aseansec.org/16580.htm.

[106] See more details in Final Report of the East Asia Study Group, http://www.aseansec.org/viewpdf.asp?file=/pdf/easg.pdf.

ministers adopted the "Chiang Mai Initiative" with two components that built on existing arrangements at the ASEAN level.[107] The ASEAN swap arrangement was expanded to include Japan, China, and South Korea in a network of bilateral swap and repurchase agreement facilities. Critics argue that the swaps are too small to be effective in warding off any large speculative currency attack.

In Chairman's Statement of the 8th ASEAN+3 Summit, held in Vientiane 29 November 2004, the leaders of the 'plus three' countries supported ASEAN leaders' decision to convene the 1st East Asia Summit (EAS) in Malaysia in 2005. It also agreed the role of APT process as the main vehicle for the eventual establishment of an EAC. The 'plus three' countries reiterated their support for ASEAN's role as the major driving force in East Asia Cooperation.[108]

The East Asian Community concept was first mentioned in a report submitted to the APT summit in October 2001 by the EAVG. At the end of 2004, ASEAN leaders in a summit in Vientiane, Laos agreed to the formation of an EAC that would begin with an EAS meeting in Malaysia by the end of 2005.[109]

The first EAS which attended by heads of states of 16 countries (the 13 countries of APT, India, Australia, and New Zealand), was held successfully on 14 December 2005 in Kuala Lumpur, Malaysia. All members agreed on the Kuala Lumpur Declaration on the APT summit to reaffirm the EAC commitment to APT cooperation, which has achieved substantial progress in the last eight years. The Kuala Lumpur Declaration outlined the EAS principles and purposes, areas of cooperation and primary modalities and the Chairman's statement of the first EAS. They agreed to continue holding an annual APT Summit in conjunction with the

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[107] See more details in Appendix XXXI (The Joint Ministerial Statement of the ASEAN+3 Finance Ministers Meeting (Chiang Mai Initiative (CMI).

[108] See more details in Appendix XXXII (Chairman's Statement of the 8th ASEAN+3 Summit).

[109] See more details in Report of East Asia Vision Group, http://www.aseansec.org/pdf/east_asia_vision.pdf. See more details about EAC in Dieter (2001); Katzenstein (2000); Lee, et al. (2006), Liu and Regnier (2003); Japan Center for International Exchange (2003); Stubbs (2002); and Webber (2003).

ASEAN Summit to guide and provide political momentum to East Asian cooperation and community building efforts.[110]

According to Kuala Lumpur Declaration on the East Asia Summit, member states agree to create a peaceful environment by further enhancing cooperation and strengthening the existing bonds of friendship among them. To achieve those, the principles are relied on equality, partnership, consultation and consensus. It reaffirmed the need for:

> *…promoting development, financial stability, 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.*[111]

Moreover, this first EAS agreed on the East Asia Summit Declaration on Avian Influenza Prevention, Control and Response. The summit recognized common concerns among member states on the prevention and control of avian influenza. They agreed on their global and regional responsibilities, and commitment to collaborate and coordinate efforts amongst governments, communities and businesses.[112]

Due to the sudden postponement of the summit meetings by the government of the Philippines, concern spread about whether the momentum of regional cooperation might be lost. However, with the exception of the Indonesian President, all the leaders gathered in Cebu and produced concrete outcomes, such as the adoption of the Cebu

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[110] See more details in Appendix XXXI (Kuala Lumpur Declaration on the ASEAN +3 Summit). See also Appendix XXXIV (Chairman's Statement of the 1st East Asia Summit).

[111] See more detailed in Appendix XXXV (Kuala Lumpur Declaration on the East Asia Summit).

[112] See more details in Appendix XXXVI (East Asia Summit Declaration on Avian Influenza Prevention, Control and Response).

Declaration on East Asian Energy Security.[113] Therefore, the summits in Cebu can be positively evaluated. In any event, it is indispensable to maintain the momentum of regional cooperation and to promote concrete measures in various areas, thereby forming a network of close regional cooperation.[114]

Worthy of special mention is the adoption of the Cebu Declaration on East Asian Energy Security at EAS. In region that continues to grow through a dynamic process of economic development, further increase of demand for energy is expected in the future. Therefore the necessity of regional cooperation to spread energy-saving technology and to secure energy is very high. In this regard, setting goals and formulating action plans, as well as encouraging the use of bio-fuels, were included in the adopted declaration. In addition, its adoption at EAS means that the declaration includes not only China but also India, which is also achieving rapid economic growth. As a result, EAS could be thought of as an appropriate framework for cooperation.[115]

Given the situation that the two frameworks of APT and EAS coexist, how regional cooperation will be developed in Asia has been the center of attention. After the first meeting of EAS was held in 2005, its relationship with APT, which was already functioning as a framework for regional cooperation, has been questioned. In the declarations in 2005, it was recognized that APT would continue to be the main vehicle, while EAS was expected to play a significant role. There was a strong impression that EAS would discuss community building from a broader viewpoint, while APT would take the lead in concrete regional cooperation measures. However, while APT confirmed the direction of the Second Joint Statement on East Asia Cooperation to be adopted in the Cebu Summit of APT, EAS showed a concrete picture of regional cooperation by adopting the "Cebu Declaration on East Asian

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[113] See Appendix XXXVII (Cebu Declaration on East Asian Energy Security). See also Appendix XXXVIII (Chairman's Statement of the 10th ASEAN+3 Summit) and Appendix XXXIX (Chairman's Statement of the 2nd East Asia Summit).

[114] See The Council of East Asian Community, http://www.ceac.jp/e/policy-summary/019-2.html.

[115] See more details in Appendix XXX (Cebu Declaration on East Asian Energy Security).

Energy Security." Therefore, it seems that the roles of APT and EAS have been somewhat reversed.[116]

With regard to the coexistence of two frameworks, APT and EAS, some people insist that APT should serve as the core framework if we take into consideration the achievements of the APT and the geographical concept of "Asia." On the other hand, others argue that the framework of EAS would be beneficial for Japan because more industrialized and democratic countries are involved. However, if we look at actual progress, it does not seem urgent to decide which framework should be chosen. In fact, such a situation might make it possible for realizable measures to be taken in accordance with the features of APT and EAS (or other regional frameworks such as APEC) in each area of cooperation. Therefore, at least for the time being, we can expect several frameworks to be formed in a multi-layered way and to play complementary roles to each other.[117]

Hence, the following two descriptions can both be thought of as appropriate: (1) APT Chairman's Statement that "APT is an essential part of the evolving regional architecture, complementary to the East Asia Summit and other regional fora"; and (2) EAS Chairman's Statement that "the EAS complements other existing regional mechanisms, including the ASEAN dialogue process, the ASEAN+3 process, the ARF, and APEC in community building efforts."

Meanwhile, the other priority areas for cooperation at EAS other than energy are education, natural disaster management, avian influenza and finance, on which the start of concrete cooperation was also mentioned. Equally, APT also paid attention to the recent expansion of cooperation in the areas of women's issues, poverty alleviation, disaster management and minerals. In this way, relationships of regional cooperation in Asia are being established in various areas. It is imperative to continue to promote such developments steadily into the future.

Given the turn of events, one might say that East Asian regionalization was made possible only after the 1997 financial crisis. Its purpose is no doubt to solve economic crisis and prevent future chaos in financial and economic arenas. It could

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[116] The 10th ASEAN+3 Summit and the 2nd East Asia Summit (Memorandum). See The Council of East Asian Community.

[117] Ibid.

also be explained as the process of response toward globalization. Once nation-states open their countries to the international community, interaction will automatically create the connection between others, in other words, regionalization occurs.

In the discourses on East Asian regional cooperation, there remains limited attention paid to Northeast Asia as a distinct region in its own right. On the one hand, this is not surprising given Northeast Asia's relative lack of coherence in terms of regional economic, political and security linkages. In Southeast Asia, diversity rather than homogeneity is the compelling characteristic of linkages. All in all, East Asia can be conceived of as an aggregation of overlapping geographic, ethnic, cultural, political, and economic sub-regions. It then undoubtedly explains the unwilling of cooperation in the region.

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Unlike in Europe where the phenomena of 'the Nested European Institutions' prevail, regional cooperation in Asia is in the form of overlapping intergovernmental cooperation among states. Those frameworks of cooperation encompass almost the same group of states. In the case of the EAC, it has been only in the process toward any form of a more institutional cooperation at this initial stage. Only selected common concerns such as energy, epidermises, terrorism, etc. could draw cooperation among member states.