

**Club, Concert, Community or ... Muddling Through?
The Future of East Asian Regional Cooperation**

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'Architecture is politics.'
-- Mitchell Kapor

It was not very long ago that learned conferences and academic journals were filled with laments from scholars bemoaning the paucity of institutions in the Asia-Pacific region. In an oft-cited 1993 article, Aaron Friedberg noted that the region was "strikingly under-institutionalised" and dismissed Asia's multilateral institutions as "thin gruel."¹ Today the 'problem' is not too few meetings but too many. There is talk of 'summit fatigue' as regional leaders are asked to attend the East Asian Summit (EAS), the Asia-Pacific Economic Cooperation (APEC) Leaders' Meeting and (for some) ASEAN Plus Three. Foreign and defence ministers gather at the ARF, the Shangri-La Dialogue and (again for some at least) countless ASEAN meetings. The new call is for the consolidation of regional arrangements and institutions to pave the way for deeper cooperation in the economic and security spheres.

This paper explores this discussion and assesses the prospects for some of these new visions for regional cooperation. It opens with a brief discussion about the evolution of the Asia-Pacific region, from its rise in the 1990s to its decline following the Asian Financial Crisis. It then charts the rise of a new regional organising framework based

¹ Aaron L. Friedberg, 'Ripe for Rivalry: Prospects for Peace in a Multipolar Asia', *International Security*, vol. 18, no.3 (1993), 22

on the notion of 'East Asia', and considers various debates about the nature and membership of that region. The third section examines recent calls for new ways of organising regional cooperation. The common metaphor here is the notion of architecture. The paper argues that calls for a new regional architecture fall broadly into two camps: those who support smaller, more exclusive concert-like arrangements and those who support a broader, more inclusive approach, most notably Australian Prime Minister Kevin Rudd's call for an Asia Pacific Community. The paper assesses the prospects for these two approaches. It argues that each has its strengths and weaknesses but concludes that despite a widespread desire for change, both approaches will struggle to become established in Asia. Instead, the likely result for the time being is muddling through, with evolution rather than revolution in regional cooperation.

From the Asia-Pacific to East Asia

The old joke about the Asia-Pacific region was that it was a 'region without regionalism'. With the exception of ASEAN, prior to the end of the Cold War, there was a dearth of inter-governmental multilateral cooperation across the region. The regional security order was underpinned by the US 'hub and spokes' alliance system and suggestions that this system needed to be augmented by some form of multilateral security dialogue were greeted with suspicion and bluntly dismissed by US officials. The prevailing attitude was summed up by the then US Assistant Secretary of State for East Asia and the Pacific, Richard Solomon, who dismissed Australian and Canadian calls for a Conference on Security Cooperation in Asia (CSCA) as "solutions in search of a problem."²

Such theological opposition to multilateralism began to crumble with the end of the Cold War and the early to mid-1990s ushered in a period of extraordinary creativity in Asia-Pacific cooperation. APEC was created in 1989 and after 1993 acquired its annual Leaders' Meeting function, bringing together the key political figures from both sides of the Pacific. In 1994, Asia saw its first region-wide multilateral security

² Richard H. Solomon, Assistant Secretary of State for East Asian and Pacific Affairs, 'Asian Security in the 1990s: Integration in Economics, Diversity in Defense,' Address at the University of California, San Diego, 30 October 1990

dialogue, the ASEAN Regional Forum (ARF). APEC and ARF were joined by inter-regional groups like Asia Europe Meeting (ASEM), and were supported by burgeoning track two initiatives such as the Council for Security Cooperation in the Asia Pacific (CSCAP) and Northeast Asia Security Dialogue (NEASD). At the track one level, institutions addressed different issues and made varying amounts of progress, but they shared a common view that the preferred framework for pursuing cooperation was to bring together states from both sides of the Pacific. The United States and Canada (and, in APEC, some Latin American economies) were important parts of the regional model along with ASEAN, East Asian states, Australia and New Zealand.

This trans-Pacific framework was not without its critics. It was contested at the beginning of the 1990s by Malaysian Prime Minister Mahathir, whose call for an East Asian Economic Group (EAEG) explicitly left out the North Americans, Australians and New Zealanders. Mahathir's idea struggled to gain traction in the face of strong US opposition and was ultimately relegated to an informal caucus within APEC. But the EAEG has proved to be ahead of its time. The exuberance that surrounded the rise of Asia-Pacific cooperation came to a crashing halt with the Asian Financial Crisis of 1997-8. The crisis called into question the efficacy of existing forms of trans-Pacific cooperation. APEC offered no comfort or assistance to the Asian economies as their currencies plummeted and their economies sank into recession. The American-dominated IFIs were discredited as their recipes for recovery seemed only to prolong the region's misery. In the wake of this economic and political turmoil, East Asian states turned increasingly inwards, looking to build cooperation on an intra-Asian basis.

The result was a dramatic shift in the centre of gravity of regionalism away from trans-Pacific ties and towards East Asia. From December 1997 onwards, the leaders of ten East Asian states met in annual summit, culminating in the formation of the ASEAN-Plus-Three (APT) process.³ APT has focused its efforts primarily on economic and functional cooperation, but it has also begun to address some non-

³ Richard Stubbs, 'ASEAN plus three: Emerging East Asian regionalism?' *Asian Survey*, vol. 42, no. 3: 440-55; T. J. Pempel, 'Introduction: Emerging Webs of Regional Connectedness', in T. J. Pempel (ed.), *Remapping East Asia: The Construction of a Region*, (Cornell University Press, Ithaca, 2005) 1-28

traditional security issues. The more successful initiatives have been in the financial sector, with the cooperative swap arrangements contained in the Chiang Mai Initiative (CMI). Cooperation between governments has been supported by a growing body of second track interactions, including the Network of East Asian Think-Tanks (NEAT), the Boao Forum. In the clearest statement of ambition for the creation of a distinct East Asian region, the East Asian Study Group (EASG) and subsequent East Asian Vision Group (EAVG) laid out a series of measures designed to lead to a future East Asian Community (EAC), including an East Asian Free Trade Area (EAFTA) and a common currency.

But if there were many visionaries, their dreams of East Asian community were not all the same. While Beijing has preferred to see East Asian cooperation promoted through the APT, others have looked to a broader arrangement. In 2005, the concept of East Asia was widened to see the creation of the East Asia Summit (EAS), which saw the addition of Australia, New Zealand and India along with the ten APT members. EAS has its own annual leaders' meeting and a series of working groups that are addressing issues such as climate change and energy security as well as a Comprehensive Economic Partnership agreement (CEPEA). Efforts at economic integration are supported by the track two Economic Research Institute of ASEAN and East Asia (ERIA).

Further complicating the already crowded regional landscape has been the proliferation of bilateral preferential trade agreements that now criss-cross the region, as well as smaller multilateral groups such as the Six Party Talks (6PT), the December 2008 China-ROK-Japan Summit, and issue-specific initiatives like the Asia-Pacific Partnership on Clean Development and Climate.⁴

This 'noodle bowl' of institutions and arrangements has led to growing complaints from some quarters.⁵ While few explicitly argue there are too many meetings, critics note that many regional groups have overlapping mandates and duplicate work. For

⁴ For a good discussion see, John Ravenhill, 'The New Trade Bilateralism in East Asia: A foundation for multilateralism?' in Kent Calder and Frances Fukuyama (eds.), *Asian Multilateralism* (Baltimore: Johns Hopkins University Press, 2006).

⁵ Paul Evans, 'Between Regionalism and Regionalization: Policy Networks and the Nascent East Asian Institutional Identity' in T. J. Pempel (ed.), *Remapping East Asia*, 195-215

example, the EAS identified climate change as a key issue for functional cooperation but this was also the key focus of the 2007 APEC Leaders' Meeting in Australia. Similarly, although the ARF is the region's primary security grouping, APEC has a Counter Terrorism Task Force, which recently had its mandate extended through until 2010. The result has been calls for the creation of new institutions and more broadly for a new 'regional architecture' to lead to deeper forms of cooperation to address key economic, political and security concerns. While commentators rarely define what they mean by the term and use the notion of architecture in very different ways, it has not stopped an energetic debate emerging among regional officials, analysts and academics.

The drivers of change

What is driving this search for a new regional architecture? There are at least four factors. The first and most important is a growing sense of frustration with the status quo. APEC has been widely criticized for straying too far from its original role as a forum to promote trade liberalization. Over the last decade its annual summit has focused less on trade and economic issues and more on terrorism, the threat of pandemics, and climate change.⁶ Even strong advocates now admit the organisation is "at a low ebb or at least is lacking in the dynamism which has sometimes characterized the process."⁷ Similarly, the ARF has been criticized by some members (notably the United States, but increasingly others) for failing to live up to the ambitious claims made in its chairman's statements. It has been painfully slow in making the transition from confidence-building to preventive diplomacy as anticipated in the original ASEAN Concept Plan. More generally there is a lack of belief across the region that institutions are important in solving key economic, political and security challenges. A survey conducted by the Washington-based think tank CSIS discovered that regional elites had much greater faith in either global institutions or national self-reliance than they did in regional bodies.⁸ Put simply, the

⁶ John Ravenhill, 'Mission Creep or Mission Impossible: APEC and Security' in Amitav Acharya and Evelyn Goh (eds.), *Reassessing Security Cooperation in the Asia-Pacific: Competition, Congruence, and Transformation* (Cambridge, Ma.: MIT Press, 2006), Chapter 7.

⁷ Gary Hawke, Report on APEC Cluster Group meeting, 20 August 2009

⁸ Michael Green, Bates Gill, Kiyoto Tsuji and William Watts, *Strategic Views on Asian Regionalism* (CSIS, Washington, February 2009) available online at: <http://csis.org/publication/strategic-views-asian-regionalism> (accessed 26 August 2009).

abundance of meetings in Asia has not been matched with meaningful multilateral action. The region is, in the words of one observer, “over organised and under institutionalised.”⁹

A second factor driving interest in new structures for cooperation is the changing balance of power in the region. The best-known aspect of this is the rise of China, but new levels of economic growth in India have also seen a growing assertiveness on the part of Delhi.¹⁰ As Asian states have become more powerful, they are demanding a greater involvement in shaping the norms and institutions that make up the regional order. Harry Harding has written of a China increasingly becoming a more assertive norm-maker in global fora. Barry Desker has talked about an emerging ‘Beijing Consensus’ that is in tension with the post-war norms of the Washington consensus.¹¹ It should not be surprising that one aspect of this is a desire to take a leading role in shaping regional organisations, their agendas and their modalities.

Third, the United States has shown a desire to re-engage with Asia’s institutions. Asia was a comparatively bright spot for the George W. Bush administration, but it was not particularly supportive of regional multilateralism.¹² ARF meetings were skipped and Washington showed no interest in the East Asian Summit or signing ASEAN’s Treaty of Amity and Cooperation (TAC). A shift has occurred since the election of President Obama, with a renewed interest in engagement with ASEAN and the recent signing of the TAC. This paves the way for a more engaged US, and potentially for it to join what have until now been East Asian institutions.

Finally, the global financial crisis has called into question the institutional status quo at the systemic or global level. The G8 has been exposed as weak and ineffective, and the G20, though given life by the London Summit, seems too unwieldy to do much

⁹ CSIS’s Michael Green, personal communication, Singapore 18 March 2009

¹⁰ See Bill Emmott, *Rivals: How the Power Struggle between China and India and Japan Will Shape Our Next Decade* (Penguin, London, 2008)

¹¹ Barry Desker, ‘Why war in Asia remains unlikely’, Speech to the IISS Jubilee Forum, Tokyo 2-4 June 2008; see also Joshua Cooper Ramo, *The Beijing Consensus* (Foreign Policy Centre: London, 2004)

¹² For a good debate about the performance of the Bush administration in Asia, see T. J. Pempel, ‘How Bush Bungled Asia: Militarism, Economic Indifference and Unilateralism have weakened the United States across Asia’, *The Pacific Review*, Vol.21, No.5, 2008, 547-581; Michael J. Green, ‘The United States and Asia after Bush’, *The Pacific Review*, Vol.21, No.5, 2008, 583-594

for Asia. Systemic upheaval also provides unique ‘windows of opportunity’ for prospective norm entrepreneurs and for the consideration of new initiatives.¹³

With a combination of global crisis, underperforming and overlapping regional institutions and increasingly assertive Asian states, it is little wonder then that have been many voices calling for reforms and new initiatives in regional security cooperation. While not all can be discussed here, I argue the proposals for reform fall into two broad camps, those advocating more exclusive arrangements resembling nineteenth century concerts of power, and those calling for a reorganised somewhat more inclusive Asia Pacific Community.

Clubs, Caucuses and Concerts

A common theme in almost all proposals for change is the assertion that the existing regional institutions have become too unwieldy. APEC has 21 members, from Russia in the West to Chile on the furthest shore of the Pacific. The ARF has 27 members, stretching from the European Union to New Zealand. With such large and diverse memberships these organisations have struggled to achieve consensus, held back by the objections of what Brian Job has called the “lowest common denominator”.¹⁴ As a solution to this frustration, one group of reformers has proposed a shift towards a more exclusive institutional arrangement.

At its most exclusive, the solution is seen as a club of just two, an arrangement comprising simply the United States and China. The idea of a G2 – sometimes summed up with Niall Ferguson’s neologism *Chimerica* - was endorsed in Beijing January 2009 by former US National Security Adviser Zbigniew Brzezinski.¹⁵ Brzezinski argued that the world needs China sitting at the table when issues such as the Iranian nuclear programme, conflicts in South Asia or the Israel-Palestinian question are being discussed. The G2 idea has an obvious appeal at some levels. The

¹³ See David Capie, “When does Track Two Matter? Structure, Agency and Asian Regionalism”, *Review of International Political Economy*, (forthcoming 2009). See also the essays in Vinod K. Aggarwal and Min Gyo Koo (eds.) *Asia’s New Institutional Architecture: Evolving Structures for Managing Trade, Financial and Security Relations* (Springer-Verlag, Berlin, 2008).

¹⁴ Brian L. Job, ‘The Substructures of Regional Security Architecture: Some Cautionary Notes’, paper presented to the 23rd Asia Pacific Roundtable, Sheraton Imperial Hotel, Kuala Lumpur, 4 June 2009

¹⁵ ‘China wary of G2 with US – analysts’, *Agence-France Presse*, 8 April 2009

US is the world's largest debtor, China its largest creditor. Their extraordinary interdependence means they are uniquely placed to lead proposals for change in the global institutional order. The proposal also acknowledges the shift in power to China and Beijing's increasing influence in regions such as Africa and Latin America.¹⁶

But the G2 idea has found little support where it needs it most – in Beijing or Washington. A G2 would be hard to reconcile with Beijing's long-stated preference for multilateralism. It also suggests greater, global responsibilities that China may prefer to avoid for the time being. As Henry Liu notes, it runs counter to Deng Xiaoping's idea of "hide capacity, bide time" (*tao guang yang hui*), a strategy of "keeping a low profile to avoid attracting unnecessary hostility".¹⁷ From a US-perspective it grants China equality with the United States, an idea that is anathema to some. The notion of the G2 also raises questions about the role of American allies in the EU, not to mention Russia.¹⁸

Assuming a G2 is off the table, at least for the time being, some advocates have called for a somewhat larger, but still small regional grouping, either implicitly or explicitly invoking the notion of a new concert of power in Asia. Concerts bring together a small group of major powers in order to regulate relations among themselves, to promote norms of co-operation, and to prevent conflicts between smaller states from provoking a larger war. According to Benjamin Miller, a concert is an "institution or security regime for high-level diplomatic collaboration among all the great powers of the day. It is a relatively durable, wide-scope, multi-issue, and institutionalized framework of cooperation. This cooperation is the result of a convergence of long-term, stable, and deliberate collaborative approaches or strategies on the part of the great powers."¹⁹ Rosecrance and Schott describe a concert as a "club or group of powers that agree collectively to lower security costs for a given geographic (regional

¹⁶ See for a discussion, Amitav Acharya, "China and Southeast Asia: Some Lessons for Africa?" in Kweku Ampiah and Sanushu Naidu, *Crouching Tiger, Hidden Dragon? China and Africa: Engaging the World's Next Superpower*, (University of KwaZulu-Natal Press, 2008).

¹⁷ Henry C K Liu, 'Obama, Change and China: Brzezinski's G-2 Strategy' *Asia Times*, 22 April 2009

¹⁸ Jonas Parelló-Plesner, 'The G-2: no good for China and for world governance,' *East Asia Forum*, 23 May 2009

¹⁹ Benjamin Miller, "Explaining the Emergence of Great Power Concerts" *Review of International Studies*, vol. 20 (1994) 329

or worldwide) area”.²⁰ The best-known example of a functioning concert is the Concert of Europe, which managed inter-state relations in Europe between 1815 and the outbreak of the Crimean War in 1854. The Concert’s members were the great European powers of the day: Prussia, Austria, Great Britain, France and Russia.

A number of commentators have suggested a concert could be a useful way to restructure Asia’s under performing regional institutions. During the 1990s the idea was floated by Susan Shirk, an academic and State Department official in the Clinton administration.²¹ The Japanese government also mooted the possibility of four-power security talks under Prime Minister Ryutaro Hashimoto.²² Although these proposals came to the nothing, the idea has re-emerged in the last two years. In a speech to the IISS in Tokyo in June 2008, the leading Australian commentator Hugh White argued that a concert arrangement made up of China, India, Japan and the United States was the only alternative to a destabilising balance of power system that could lead to war in Asia.²³ The influential Indonesian commentator Jusuf Wanandi has similarly called for the creation of a “G8 for East Asia” that could “accommodate the three big powers – China, India and Japan – in a kind of concert of power that will be able to maintain a future equilibrium in the region, together with the United States.”²⁴ Henry Kissinger has likened the Obama administration’s foreign policy over North Korea to concert diplomacy.²⁵

There have also been calls to use the G20 as the basis for a new Asian grouping that, while not strictly a great power concert, also seeks to restrict membership to a small group of leading states. Soogil Young, Chair of South Korea’s KOPEC has called for the creation of an East Asian caucus within the G20 that would include ROK, Indonesia, China, the rotating ASEAN representative in the G20 (currently Thailand)

²⁰ Richard Rosencrance and Peter Schott, “Concerts and Regional Intervention,” in *Regional Orders: Building Security in a New World*, edited by David Lake and Patrick Morgan (University of Pennsylvania Press, Philadelphia, 1997) 140-163

²¹ See for example Shirk’s paper “Asia-Pacific Security: Balance of Power or Concert of Powers?” paper prepared for the JIIA – Asia Society conference on ‘Prospects for Multilateral Cooperation in Northeast Asia’, Tokyo, 18-20 May 1995

²² Cited in Amitav Acharya, ‘A concert of Asia?’ *Survival*, vol.41, no. 3 (Autumn 1999) 97

²³ Hugh White, “Why War in Asia Remains Thinkable” speech to the IISS conference in Tokyo, 2-4 June 2008 (reprinted in *Survival*)

²⁴ Jusuf Wanandi, ‘The ASEAN Charter and remodelling regional architecture’, *The Jakarta Post*, 3 November 2008

²⁵ Henry A. Kissinger, ‘Obama’s Foreign Policy Challenge’, *The Washington Post*, 22 April 2009

along with Australia, India and Japan. This group could “provide leadership for all the emerging economies participating in the G20 process” and “lead international efforts to fight the protectionist backlash from the global recession.”²⁶ It would also provide a regional-global link that could help with the “strengthening of the world’s economic governance structure.”²⁷

Again, the idea of a concert has some intuitive appeal. It offers the efficiency of small group decision-making. Concerts are informal in nature and they recognise the realities of power. They also work on the basis that *relationships* between the key actors are crucial to building a sustainable peace. But the advantages of an Asian concert are overshadowed by an even greater set of obstacles than would face a G2. First, it is worth noting that although the idea of a concert has plenty of cheerleaders, we have only one historical example to draw on, i.e. the Concert of Europe. This should make us cautious about using it as a concept on which to base a new regional order.

Second, although Hugh White argues a concert could save Asia from war, the Concert of Europe was only formed from the ashes of the Napoleonic Wars. In addition, concerts only have a limited record of keeping the peace. As Kal Holsti notes, although the Concert of Europe was successful in averting war between major powers, it could not prevent conflicts between major and minor powers, or intervention by major powers in the affairs of smaller states.²⁸

Third, any future concert for Asia runs into a problem faced by all the proposals for a new architecture, that of membership. As Susan Shirk concedes, concerts are not ‘politically correct’ because they assign membership based on raw material power.²⁹ It is not hard to imagine the likely core of an Asian concert: the US, China, India, but after that, the difficulties arise. Japan would have a strong claim based on the size of its economy and its growing military capability. But what about Russia? It is also hard to imagine that formidable middle powers like the so-called “KIA” (Korea,

²⁶ Soogil Young, ‘The case for an East Asian Caucus on global governance,’ East Asia Forum, 12 April 2009

²⁷ Hadi Soesastro, ‘Architectural momentum in Asia and the Pacific’, East Asia Forum, 14 June 2009

²⁸ Kalevi J. Holsti, *Peace and War: Armed Conflicts and International Order 1648-1989*, (Cambridge University Press, Cambridge, 1991) 142-143

²⁹ See Shirk, ‘Asia-Pacific security’

Indonesia and Australia) would permit a concert to dictate their place in regional affairs.³⁰

More problematically, the research shows that concerts require more than a particular structural configuration of power to emerge. They require a strong degree of unit-level convergence. In his classic *The Anarchical Society*, Hedley Bull emphasized the connection between the great powers' shared vision of the international order and their ability to concert their diplomacy. "The presence of such a common theory or ideology of world order ... made the Concert of Europe possible."³¹ While constructivists have argued there is a nascent sense of collective identity emerging in Southeast Asia, it is hard to make the case that any such shared ideology or vision for the region exists among the likely members of an Asian concert.³² Rather, their mutual images remain largely negative, complicated by questions about history, territorial disputes and competing ambitions.

Finally, a concert would require the members to treat one another as equals. As Benjamin Miller notes, "for a concert to emerge, the great powers have to be ready to accept the other powers as co-equal managers of international conflicts."³³ Hugh White has called for Asia's great powers to "build a dialogue of equals on strategic questions despite differences in values."³⁴ But to occur this would require a remarkable shift in the relations between China and Japan and to a lesser extent China and India. Even if they were able to put aside differences over interpretations of the recent past, the considerable asymmetry in their military capabilities would also need to be addressed. 'Equality' might require Japan to spend significantly more on defence and call into question its alliance with Washington. Ultimately, it might even force it to move down the path towards acquiring nuclear weapons. For the most part, these do not look like desirable outcomes for regional states. Little wonder then even an advocate like White is pessimistic about the prospects for a concert to emerge.

³⁰ Jonas Parelo-Plesner, 'KIA – Asia's middle powers on the rise?' East Asia Forum, 10 August 2009

³¹ Bull cited in Miller, 339

³² See for example, Amitav Acharya, *Constructing a Security Community in Southeast Asia*, (Routledge, London, 2001)

³³ Miller, 341

³⁴ Hugh White, 'Regional architecture and the reality of power politics', East Asia Forum, 19 June 2008

An Asia Pacific Community?

At the same time that calls for a concert of powers have begun to percolate, ideas for a consolidation on a slightly different basis have also attracted attention and debate. The highest profile initiative has been Australian Prime Minister Kevin Rudd's call for the creation of an 'Asia Pacific Community', which he made in a speech in Sydney in June 2008 and modified in his keynote address to the Shangri-La Dialogue in Singapore in late May 2009.³⁵ Rudd's proposal has been something akin to a stimulus package for scholars of Asian regionalism, sparking often heated debates in the academic literature and blogosphere about its merits.³⁶

Rudd's original conception was for a "regional institution which spans the entire Asia-Pacific region – including the United States, Japan, China India, Indonesia and the other states of the region" and which is "able to engage in the full spectrum of dialogue, cooperation and action on economic and political matters and future challenges related to security."³⁷ Rudd's goal was to launch a discussion about the kind of architecture the region wanted to have in place by 2020. While the idea was vague from the outset, the implication seemed to be initially that a new institution was needed to facilitate deeper cooperation. Existing institutions such as APEC, ARF, APT, the EAS and ASEAN itself were not to be diminished, but "new bodies ... will emerge".

It would be fair to say the APC concept had a difficult birth. The total lack of prior consultation within the region led Barry Desker to call it "dead in the water, right from the beginning".³⁸ In May 2009, one Australian commentator interpreted Rudd's speech to the Shangri La Dialogue as meaning the prime minister had 'cut his losses' and moved on.³⁹ But despite criticism of the clumsy way in which it was launched

³⁵ Kevin Rudd, 'It's time to build an Asia Pacific Community', speech to the Asia Society, Sydney 4 June 2008, available at <http://www.pm.gov.au/node/5763> (accessed 28 August 2009); Kevin Rudd, 'Address at the Shangri-La Dialogue', speech to the 8th International Institute of Strategic Studies Asian Security Summit, 29 May 2009 available at: <http://www.pm.gov.au/node/5128> (accessed 30 August 2009).

³⁶ See for example the many posts on the excellent ANU-based blog East Asia Forum. <http://www.eastasiaforum.org>

³⁷ Rudd, 'It's time to build an Asia Pacific Community'.

³⁸ Patrick Walters, "Kevin Rudd Asia plan "dead in the water"", *The Australian*, 4 July 2008; see also Hugh White, 'Regional architecture and the reality of power politics'.

³⁹ See Graeme Dobell, "Asia Community: Rudd Moves On", *Lowy Interpreter*, 31 May 2009

and the frosty reception that has awaited in some parts of the region, the Asia Pacific Community idea remains alive and an ongoing source of debate and discussion. It has acquired advocates outside Australia, including some key figures in Indonesia.⁴⁰ The Australian government has announced plans to hold a Track 1.5 summit in late 2009 to explore how to move the concept forward.⁴¹

Like proposals for a concert of powers however, there are a number of obstacles to be overcome if the Asia Pacific Community idea is to advance. One is that, as originally conceived at least, it challenges ASEAN's role in the driving seat of regional cooperation. In many respects this is a good thing. ASEAN's unthreatening profile made it the ideal actor to initiate multilateral cooperation in the region in the 1990s, but it has not been able to transform fairly limited interactions into more robust forms of cooperation. This will only be possible when there is a consensus of interests on the part of the major powers. To the extent that it recognises this, the APC idea is welcome. Unfortunately, but not surprisingly, many ASEAN states do not welcome what they see as a threat to their central role in regional diplomacy. Rudd's Shangri-La speech in May 2009 acknowledged as much, ruling out the creation of a new institution and paying homage to ASEAN's achievements in institution building to date.⁴²

Second, Australian officials have not offered a clear indication of who they see as members of this new community. Indeed, recently they seem to be backing away from doing so any time soon, asserting instead that the membership will become "naturally" evident as the process moves forward. Rudd's Singapore speech seemed to concede that ASEAN would have to play a role in any APC, meaning that along with Indonesia, an APC would include Burma, Cambodia and Laos. Representatives from all the states visited by Rudd's special envoy for the APC, Richard Woolcott, will apparently be invited to the Track 1.5 meeting at the end of the year. If so, this would include Mexico, reopening questions about Latin America's place in the regional order.

⁴⁰ See for example, Soesastro, 'Architectural momentum in Asia and the Pacific'.

⁴¹ Daniel Flitton, 'Movement on Rudd's Asia Plan', *The Age*, 5 September 2009

⁴² Dobell, "Asia Community: Rudd Moves On".

Third, existing institutions are sticky or resistant to change. They are not likely to be easily transformed or have their membership, mandate or key functions altered in fundamental ways. Proposals that APEC might become a ministerial-level meeting on economics and trade and give up its Leaders' Meeting would deeply alarm states that are not members of arrangements like the EAS (for example, Russia, Mexico and Canada).

More broadly, the APC idea suffers from what might be called the 'Goldilocks' assumption. This is idea that the stasis in regional cooperation is essentially a problem of not having the right actors around the table. Some institutions are too big, some are too small, but the APC will be 'just right'. It assumes that institutional structure determines the regional security order, rather than the other way around. If you get the membership question right, so the thinking seems to go, then the other pieces of the puzzle will fall into place. Unfortunately, the problems evident in regional cooperation go far beyond the cast of characters. They reflect deeply divergent value systems, political norms and ideas about sovereignty. Failure to reconcile these differences does not mean conflict is inevitable, but it does mean that solving the most serious regional security challenges will be unlikely without major concessions and compromise by the most powerful states in the region.

We should be careful not to write off the APC idea. Carl Thayer is correct to note that Rudd's proposal for an Asia Pacific Community is "still viable because the Prime Minister has not been prescriptive about what shape it should take."⁴³ An assessment of its prospects will have to wait until later in the year. For the time being, however, I remain sceptical. The proposal has helped spur a regional conversation about how to address institutional under performance, but there is little evidence yet that it has the support necessary to set in place a framework that can address the myriad of problems that challenge regional cooperation today.

Muddling Through?

⁴³ Carlyle Thayer, 'Kevin Rudd's multi-layered Asia Pacific Community initiative' East Asia Forum, 22 June 2009

What then is the likely outcome of all this debate and discussion about architecture? Rather than the revolution in regional cooperation implicit in a club like the G2, a concert of powers or the APC (as initially conceived at least), I argue evolution and improvisation is more likely to characterise regional multilateralism in the medium term. We are likely to see existing institutions remain in place and duplication to persist in at least some of their functions. There will continue to be tension between trans-Pacific forms of cooperation like APEC and East Asian institutions like the EAS. Within East Asia, differences will remain between China and the ROK's preference for cooperation through APT and Tokyo's interests in working in a Plus-Six framework. The ARF will remain the principal venue for security dialogue, but will not be able to solve the most pressing problems like the Korean peninsular, Kashmir or cross-Straits issues. Some commentators have described this process of overlapping interactions as "hybrid regionalism", but muddling through is perhaps a more accurate expression.⁴⁴

A path forward marked by improvisation, evolution and incremental adjustment is not the end of the world. When Mark Twain was asked what he thought of the music of Richard Wagner, he replied "it's not as bad as it sounds." Much the same could be said of Asian regionalism. Progress may be slow and often frustrating, but it will likely be sufficient to sustain the interest of most. The recent decision to initiate discussions about a CEPEA at the heads of government level within the East Asian Summit is one example of forward movement. The May 2009 disaster relief exercise in the Philippines attended by 20 ARF members was another small step forward in tangible cooperation. Further progress on non-traditional security issues within the ARF seems possible. For some commentators these accomplishments are not to be sniffed at. They argue we should be less concerned with contrived institutional innovation, and more focused on supporting the longer-term messy processes of region building from below, particularly through economic integration.⁴⁵

⁴⁴ Richard Weixing Hu, *Building Asia Pacific Regional Architecture: The Challenge of Hybrid Regionalism*, Center for Northeast Asian Policy Studies, Brookings Institution Washington, DC (July 2009).

⁴⁵ For example, Gary Hawke, 'The Asia Pacific Community: objectives not institutions', East Asia Forum, 15 June 2009

Evolution will also see efforts at institutional incrementalism. Mini-lateral and ad hoc multilateral efforts will emerge as states look to link with like-minded partners to advance specific policy goals. Welcome initiatives like the China-Korea-Japan Summit could develop, perhaps as part of the activities planned for Japan's turn in the APEC chair in 2010. But, although we will have to await the outcome of the Australian-hosted track 1.5 meeting on the Asia Pacific Community to get a clear sense of the appetite for radical change in the region, I suspect deeper forms of regional cooperation will remain elusive unless there is a transformation of the underlying normative structures that divide East Asia and the Asia-Pacific today. This will require leadership we have not seen so far from within the region and significant compromises on the part of the major powers, something that does not look likely in the foreseeable future.