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New Security Dynamics in the Asia-Pacific: Extending Regionalism from Southeast to Northeast Asia

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As European leaders ponder the problems of regional integration fifty years after the Treaty of Rome, they may draw some comfort from a survey of the challenges faced by their opposite numbers in the Asia-Pacific. Europe looks remarkably homogeneous compared with a region that embraces the great powers of China, Japan, Russia and the United States and stretches down through the subcontinent of Indo-China and into the Southeast Asian archipelago. Europe can look to its common Christian heritage as a source of shared identity, but it is the impact of imperialism and colonialism that has shaped national consciousness for the peoples of Eastern Asia. While there is a broad consensus in Europe that facing up to the ghosts of twentieth-century history is the foundation for reconciliation, political elites in Eastern Asia are still tempted to use memories of their tumultuous past for the politics of legitimacy and mass mobilisation.

When it comes to taking the lead in building a new sense of regional identity, however, the major powers of Japan and China are excluded by their histories: the former due to its imperial record and the latter because of suspicions about a possible return to a hierarchical Sino-centric order. This leaves the United States as the guarantor of order, its influence exerted through a series of Cold War bilateral alliances that have been given new vitality only since Southeast Asia became the second front in the global ‘War on Terror’. With the region lacking either shared political institutions or a multilateral security architecture, its international system has been described as teetering on ‘Bismarckian’.

This lack of regional integration would not be a matter of great concern if it were not for the fact that Eastern Asia is home to some of the world’s most serious flashpoints. Theories of functional integration are sorely tested by the fact that the deepest disputes are between the economies of Northeast Asia that have a very high degree of interdependence, namely Taiwan, Japan, China and the divided Korean peninsula. This paradox can also be seen as new formations emerge, as in the endurance of territorial disputes between the two new rising giants of the global economy, China and India.

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Despite these challenges, however, there has been a remarkable degree of optimism about the possibilities for building an Asian Community of late. Much of this is built on the region’s stunning economic vitality. China’s spectacular growth is just the latest phase of a story that began with Japan’s post-war economic miracle, spread to the Asian Tigers of South Korea and Taiwan in the 1980s, then to Southeast Asia in the 1990s. It would be quite wrong to say that efforts have not been made to build on this economic foundation a degree of political cooperation, especially as the region has rebounded from the 1997 Asian Financial Crisis. In fact, constructivist International Relations scholars claim that if we understand the region in terms of its own cultural preferences, then a unique pattern of multilateralism is emerging.  

Such arguments are based largely on observations of the way in which the practices and institutions of the Association of Southeast Asian Nations (ASEAN) have developed. The durability and effectiveness of this new sense of Asian regionalism is set to be sorely tested, however, as the idea of an Asian Community is extended to the more troubled relations between the states of Northeast Asia. This article will provide a survey of the new security dynamics in Asia-Pacific that this process of extension has to address, especially as the interplay between domestic and international politics is radicalised by events in the run-up to the 2008 Summer Olympics in Beijing.

The beginnings of an Asian Community

Those most optimistic about the emergence of a special kind of Asian international politics point to the success of what is often referred to as the ‘ASEAN Way’, so called because it was devised by the founding members of the Association of Southeast Asian Nations (ASEAN), namely Indonesia, Malaysia, Thailand, Philippines and Singapore, when that organisation was established in 1967. Its immediate rationale was to bring to an end the mutually destructive conflicts that were taking place over the territory and legitimacy of the post-colonial states. Indonesia’s turn away from the People’s Republic of China after the fall of the revolutionary Sukarno regime also encouraged thinking about the need to form some kind of solidarity in the face of the communist threats from the north. The result is said to be a particular kind of political and security culture that reflects the high value placed on the doctrine of sovereignty, equality between states, non-interference and non-intervention, non-recourse to force, or the threat to use force. This also includes a preference to let states sort out their own bilateral conflicts rather than falling back on some kind of multilateral organisation, and a quiet and informal style of diplomacy that shows respect and a tolerance of diversity. Such a mode of operation is supposed to be preferable to Western-style, hard-nosed, legalistic bargaining.


3 Brunei joined in 1984 when it became independent from Britain.

Since the end of the Cold War ASEAN has continued to exist, forging an agenda that has broadened out from economics to address a growing number of political and security concerns. It has also expanded its membership, embracing the Indo-Chinese states of Vietnam (1995), Laos (1997), Myanmar (1997) and Cambodia (1999). By the time its leaders met for their annual summit at Bali in 2003, they felt confident enough to sign a concord on building a community based on the three pillars of economic, security and ‘social and cultural’ cooperation. As the states of Northeast Asia have been drawn closer to the organisation, there has been talk of building an ‘Asian Community’, which moved a step closer to reality when the first annual East Asia Summit was held in 2005.

The targets being set during this process of community building indicate the nature of the loose consensus that is emerging on the way towards regional integration. A shared commitment to open markets is evident in the aim of reducing intra-regional tariffs to below 5 percent (albeit with a sizeable exclusion list). In the more sensitive area of security, earlier initiatives such as the 1995 Treaty of Southeast Asian Nuclear Weapons Free Zone are being surpassed by attempts to deal with new security threats. These range from strengthening the regional financial surveillance mechanism to prevent a repeat of the disastrous outflow of capital that occurred in the 1997 financial crisis, to discussion of the need to deal with cross-border environmental threats, maritime security and especially piracy.

Rethinking sovereignty

Sceptics criticise such a vision as lacking in substance and draw attention to the lack of progress on meeting bold targets. Yet the discussions taking place may be more significant for the way in which they reflect a growing acceptance that the sovereign state is unable to deal with the kinds of trans-national problems that increasingly pose serious threats to populations. Most radical in this respect is the proposal to build a ‘social and cultural’ community. While this falls short of accepting the vision of a ‘political community’, locating the fostering of ‘caring societies’ within ASEAN’s remit is indicative of a significant change in elite values. In large part this has been generated by the democratisation that has occurred in the original member states, with the fall of the Suharto dictatorship in Indonesia being of particular importance in removing obstacles to a new political discourse. Equally important is a growing awareness that domestic good governance enhances the credibility of ASEAN on the wider diplomatic stage.

This dynamic is most visible in the way in which Myanmar’s (Burma) membership has been accommodated. While the Yangon regime has undoubtedly benefited from the international and domestic legitimacy bestowed by joining ASEAN, its behaviour has forced other states to gradually reinterpret the principle of non-interference. The turning point was a brutal attack on the supporters of the imprisoned opposition leader Aung San Suu Kyi in May 2003, which spurred ASEAN ministers to issue a joint communiqué urging a peaceful transition to democracy. It has been reported that

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concern over the imprisonment of Aung San Su Kyi was expressed behind closed doors. Even a senior statesman like former Malaysian Prime Minister Mahathir, a staunch opponent of pressure on Asian countries over human rights issues, urged that Myanmar should be expelled from ASEAN. When the word ‘democratic’ was included in the Bali concord that year, Myanmar held its silence.  

Thailand in particular has felt the need to engage the Yangon regime due to the problems it faces with the cross-border trade in narcotics and ethnic insurgencies. In general, however, this has been accompanied by a hardening of ASEAN’s views on the standards of behaviour expected of its members as the organisation has felt the need to maintain its credibility in the broader international system. When pressure from the EU and the US came to a head with the prospect of Myanmar taking its turn as chair of the organisation’s standing committee in 2005, Yangon had to forego its turn ‘in ASEAN’s Interests’. Some members have gone further than this, as when the Philippines supported a US-sponsored initiative to put Myanmar on the UNSC agenda. When ASEAN foreign ministers meeting in Kuala Lumpur in December 2005 decided to discuss the situation in Myanmar, this marked a significant move away from their traditional principle of non-interference.

Building a community within the balance of power

The success of this attempt by ASEAN to develop its norms to meet new challenges should not be exaggerated, however. Myanmar was included in the Asia-Europe Meeting (ASEM) when this dialogue forum was expanded to include new ASEAN members in 2004, for example, despite strong objections from the EU. This toleration of the pariah state is primarily due to the determination of ASEAN to build a completely inclusive Southeast Asian community. Yet it is also a reflection of the need for the organisation to exist with the broader regional balance of power. This means taking into consideration not only pressure from democratic entities such as the United States, the EU and Japan, but also the need to work with a rising China. The reality is that a state like Myanmar can increasingly turn to China as an alternative source of succour and support.

It is the need to institutionalise this increasingly complex extra-mural balance of power that is shaping the multilateral structures which are at the base of what is becoming a sense of new regionalism. The boldest initiative taken in this respect was the establishment of the ASEAN Regional Forum (ARF) in 1994, which brings the Southeast Asian states together with not just all the other states Eastern Asia but also further-removed powers such as the United States, the EU, Russia and India, to discuss regional security concerns. While there has been slow progress in moving the agenda beyond confidence building measures, it has been a remarkable achievement to expand ASEAN’s remit in this way and to accept the need to cooperate with non-regional states. The biggest achievement of all, however, was the inclusion of China as a founding member, still emerging from its status as an international pariah after the 1989 Tiananmen Massacre.

While China shunned regional multilateral organisations as tools of the superpowers during the Cold War, Beijing’s new determination to use them to shape international

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6 Haacke, J., Myanmar’s Foreign Policy: Domestic Influences and International Implications, Adelphi Paper 381, Routledge/ISS, 2006
rules and norms has implications that go well beyond Southeast Asia. This can be seen in the foundation of the Shanghai Five organisation in 1996 that brought China together with Russia and the Central Asian states of Kazakhstan, Kyrgyzstan and Tajikistan to cooperate on economic development and cross-border security. When Uzbekistan joined in June 2001, this forum was consolidated as the Shanghai Cooperation Organisation (SCO). Another major step towards multilateral engagement was taken when Beijing began hosting the Six Party Talks on the Korean crisis in 2003, bringing together the two sides of the peninsula with the US, Japan and Russia.

It is in Southeast Asia, however, that China has really stunned the world, signing a string of agreements across all areas of policy-making. These include a 2002 plan to establish an ASEAN-China Free Trade Area (ACFTA) in goods by 2010 and the signing of a Joint Declaration on the ASEAN-China Strategic Partnership for Peace and Prosperity in 2003, along with China’s accession to the ASEAN Treaty of Amity and Cooperation. Even on the most sensitive issue of territorial disputes in the South China Sea, China agreed in 2003 to sign up to a Declaration on a Code of Conduct. That Beijing chose the ARF foreign ministers’ conference in July 2002 as the place to unveil its ‘New Security Concept’, which bases its foreign relations on the principles of ‘mutual trust, mutual benefit, equality and cooperation’, demonstrates how Southeast Asia has become a kind of laboratory in which Beijing experiments with its new enthusiasm for multilateralism.

**Extending the community: Who is in? Who is out?**

The real test of this process of socialisation will be whether it can be extended to cover the much more turbulent sub-region of Northeast Asia, however. When Japan, China and South Korea established an ASEAN+3 meeting in 1997 the prospects looked positive. When these states met at Kuala Lumpur, in December 2005, for the first of what has now become a regular East Asia Summit (EAS), the project for establishing an Asian Community was brought back on to the agenda. While nobody expected the first EAS to produce more than a visionary statement, the document attests to the usefulness of the Southeast Asian model in the way it declares that all actions will be consistent with and reinforce the realisation of the ASEAN community. It also establishes the principle that the summit is to be chaired by an ASEAN member. It is too early to assess how this project will develop, but some insight into its priorities and dynamics can be garnered from the outcome of the second EAS held in Cebu, the Philippines in January 2007. The agenda focused on finance, energy, education, avian flu and the measures to alleviate natural disasters. It most substantial agreement came in the form of a declaration on East Asian energy security, which includes a number of non-binding targets on issues such as the development of biofuels.

As the EU knows only too well, however, deciding on who is entitled to membership of a regional community is a highly charged issue. In the Asia-Pacific, disputes over this go back to 1989 when Australia won the support of the United States and Japan to establish the Asia Pacific Economic Cooperation (APEC) forum. This still exists and includes not only Eastern Asia but also littoral states of the Americas and Australia and New Zealand. The counter-vision of an exclusively Asian East Asian Economic

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7 The meeting was delayed by one month due to a typhoon.
Caucus (EAEC) that was spearheaded by Malaysian Prime Minister Mahathir did not get off the ground when it was proposed in the early 1990s. This is despite resonance with many in the region that a community should be established on ‘Asian values’ that reject Western pressure over human rights and the environment and question the applicability of the liberal Washington Consensus in the economic field.

The role of the United States, however, has become increasingly problematic. APEC has made slow progress towards its central target of achieving regional free trade and investment for industrialised economies by 2010 and for the developing economies by 2020. Rather than a deep form of regionalism, its process has been described as a form of ‘concerted unilateral action’, according to which its members agree principles and guidelines to steer their individual actions. These have to be compatible with the broader framework of the WTO and various sectoral deals often become entangled with parallel WTO negotiations. Moreover, the liberal economic vision has met with less than full enthusiasm in East Asia since the devastation wrought on East Asian economies by the 1997 Asian Financial Crisis. An alternative path to trade and investment liberalisation began to appear when the United States lost patience with the APEC process and signed a bilateral free trade agreement with Singapore in 2000. Within three years some thirteen Asia-Pacific states had followed suit, initiating or completing thirty-three bilateral free trade agreements. At the same time ASEAN has continued to develop its own FTA based on the more conservative method of sector-by-sector opening and bringing in China.

It is in this context that the idea of a more exclusive East Asian regional forum has risen up the agenda again, most clearly in the form of the EAS. The fact that the US is not a member of the EAS could be seen as due to the mixture of Washington’s preoccupation with the Middle East, reluctance among regional states to let the giant sit at the table, and more cautious interpretations of the drive for trade liberalisation since the Asian Financial Crisis. In response to Washington’s concerns over exclusion, however, a modus vivendi has been reached through inclusion of the key US allies of India, Australia and New Zealand in the EAS. While there was resistance from Malaysia to the participation of Australia and New Zealand, both countries were able to meet the criteria for membership, namely substantive relations with ASEAN, being a full dialogue partner of ASEAN, and acceding to the ASEAN Treaty of Amity and Cooperation. Chinese opposition to India’s participation was quelled by New Delhi’s new ‘look East policy’. That China and India mentioned the EAS as a path to East Asian community building in their November 2006 joint declaration indicates that this process has some mileage, especially considering the outstanding territorial disputes between the two giants.

Building on the ASEAN model

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9 On the proliferation of bilateral FTAs see Christopher M. Dent, ‘Networking the Region? The emergence and impact of Asia-Pacific bilateral free trade agreement projects’, *Pacific Review* 16:1, (2003), pp. 1-28 and Barry Desker, ‘In defence of FTAs: from purity to pragmatism in East Asia’, *Pacific Review* 17:1, 2004
Incrementally building on the ASEAN model is thus proving to be the central dynamic for regionalism in the Asia-Pacific, even as the ASEAN model itself undergoes a significant if slow transformation. This process of building outwards from the ASEAN model through ASEAN+3, then expanding to the EAS is attractive not only to Southeast Asian states but also to China and South Korea, both of whom view the US with varying degrees of concern. Yet there are also a sufficient number of states in the region who realise the importance of keeping the United States engaged. The Southeast Asians, for example, have been all too happy to accept assistance from the US in the security field. This can be seen in the ASEAN-US Joint Declaration on Cooperation to Combat International Terrorism which aims to develop prevent, disrupt and combat international terrorism through the exchange and flow of information, intelligence and capacity-building.

Maintaining a central role for the United States is also strongly supported by the other major regional power, Japan, with the bilateral alliance remaining the main spoke in Washington’s security architecture for the Asia-Pacific. In fact, one way of understanding the dynamics shaping the new regionalism is to see them as emerging from a tension between China’s attachment to the region’s traditional preference for a strong version of state sovereignty and Japan’s attempts to encourage the trend towards a more politically democratic and economically liberal model. Japan has a steep hill to climb, however. When Prime Minister Junichiro Koizumi suggested in June 2004 that his country would play an active role in building the East Asian Community so long as it is ‘transparent and open to the outside, he was met with a distinct lack of enthusiasm in the region.

Yet Japan certainly has the means to play China at its own game of wooing the smaller states in the region. In April 2006 Tokyo announced a project to develop an East Asian Economic Partnership Agreement modelled on the OECD. This is to be properly funded with an East Asia Economic Research Institute for ASEAN and East Asia (ERIA) which will be based in one of the ASEAN states. The Cebu summit of the EAS agreed to study this proposal and welcomed the ERIA initiative. The Japanese have also been the most enthusiastic proponents of radical community building measures such as the possible creation of an East Asian currency union. While realisation of this radical initiative remains a remote prospect, the fact that it is being discussed at all is a remarkable indicator of how far thinking about the relationship between states and the region has developed.

The central dynamics of Asia-Pacific regionalism are thus emerging from various processes, including not only changes within the Southeast Asian model itself, but also the contest between competing visions of international order championed by the two massive economic and growing military powers of China and Japan. While it is easy to criticise the region for failing to make more substantial moves towards integration, providing a forum and a political discourse within which these tensions can be worked out is certainly preferable to the kind of conflict that characterised great power competition in the past, bearing in mind that China and Japan were in a state of warfare on-and-off from 1894 to 1945. It is somewhat ironic that the remarkably weak institution of ASEAN has turned out to be the only model on which to base this process of regionalisation. While the advantages of this have been described above, it is now necessary to examine the prospects for such a dispensation to manage the most urgent problems in that face the region in the near future.
The dilemmas of building security in Northeast Asia

The security problems of Southeast Asia pale beside the tensions that exist on the Korean peninsula, between China and Taiwan and in Sino-Japanese relations. A long list of grievances exacerbates the security dilemmas that have been driven for centuries by geopolitics in this sub-region. Perhaps the most remarkable new dynamic of the present situation is that this is the first time in modern history that the region has had to accommodate its geopolitical dilemmas in the context of a strong China and a strong Japan at the same time.

Unfortunately there has been a distinct chill in relations between these two Asian giants since the end of the Cold War. Underlying this is the bid for regional leadership. Aside from the psychological problem of adjusting to the likelihood that they may be overtaken by China, the suspicions of policy-makers in Tokyo have been deepened by acts such as the passing of a law of the sea by China in 1992 that claims areas of the East China Sea over which Japan currently exercises sovereignty. Unease over double-digit increases in China’s defense spending and lack of military transparency have been worsened by a series of nuclear tests that were conducted in the 1990s and by the mobilisation of the People’s Liberation Army that took place when Taiwan held its first presidential election in 1996. In addition to the perception of a possible military threat from China is a growing number of ‘non-traditional’ security issues. These range from the knock-on effects of environmental degradation to the social problems said to be caused in Japan by the influx of immigrants (both legal and illegal).10

Equally strong suspicions are held in China about Japan’s efforts to return to the status of a ‘normal power’. This process is still viewed very much through the lens of the fifty years of humiliation that began with the defeat of China and the cession of Taiwan to Japan in the Sino-Japanese War of 1894-5 and ended with Japan’s defeat in World War Two. Memories of the atrocities committed by Japan during its occupation of China are still alive in the minds of many people and are passed down the generations within families and by an education and propaganda system that reinforces the legitimacy of the Communist Party by recalling how it led the nation to victory.11 In this context, attempts in Japan to remove the constitutional restraints imposed under the United States’ occupation and to strengthen patriotism by revising the way past aggression is presented in school textbooks are seen as a conspiracy to revive militarism. The failure of victims of wartime sexual enslavement and forced labour to win compensation in the Japanese courts, as well as visits by Japanese prime ministers to Tokyo’s Yasukuni Shrine to the nation’s war dead, stir strong emotions. When these issues were conflated with opposition to Japan’s bid for a permanent seat

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on a reformed United Nations Security Council, the result was the outbreak of the anti-Japanese demonstrations that shook Chinese cities in April 2005.\textsuperscript{12}

The chill in Sino-Japanese relations creates a complex situation for the United States as it tries to maintain regional order. On one side, policy-makers in Tokyo are concerned when Washington shows any signs of siding with China. Warning lights began to flash rather brightly when President Clinton began to woo Beijing in an attempt to restore stability after the 1995-6 Taiwan Strait crisis. Although the George W. Bush administration was fiercely pro-Japanese when it came into power, the overstretching of American power in the Middle East and cooperation between Washington and Beijing in the ‘War on Terror’ has raised questions over Washington’s commitment to the region. This gives a new edge to what has been described as Japan’s dilemma of whether to estrange itself from the United States by seeking more foreign policy autonomy or to entrap itself within the US-Japan alliance by further integrating its armed forces into those of the United States.\textsuperscript{13}

On the other side, China’s leaders view any strengthening of the United States-Japan alliance as part of a strategy to contain their country’s rise to great power status. With the Communist Party staking its legitimacy in large part on its ability to unite Taiwan with the motherland, initiatives to redefine defense cooperation between the United States and Japan in ways that can include the defense of Taiwan touch a very raw nerve in China’s domestic politics.\textsuperscript{14} While the 1998 agreement between Japan and the United States to cooperate on the development of a Theatre Missile Defense (TMD) system may be designed primarily to counter a strategic threat from North Korea, the Chinese are painfully aware that it could also neutralise the missile force it has been building up to deter Taiwan from moving further towards achieving recognition of its independent status. Beijing’s suspicions concerning this issue were recently deepened even further when Japan listed both Taiwan and North Korea as matters of concern in the white paper issued by its Defense Agency in 2006.\textsuperscript{15}

Yet, despite such suspicions, all sides recognise that the role of the United States in Northeast Asia is crucial for preventing a crisis on any of the above issues from escalating into conflict. Both China and Japan realise that a withdrawal by the United States from the region would leave them facing each other in the context of a power vacuum while their long string of mutual grievances still await resolution. As for Taiwan, since President Bush put pressure on President Chen Shui-bian not to hold a referendum on independence during his campaign for re-election in 2004, even China has had to reluctantly recognise the constructive role that the United States plays in this ‘domestic’ affair.\textsuperscript{16}

\textsuperscript{12} For a recent survey of these issues see Caroline Rose, Sino-Japanese Relations: Facing the Past to Look to the Future? (London and New York: RoutledgeCurzon, 2005)

\textsuperscript{13} On the ‘engagement-entrapment’ dilemma, see Christopher W Hughes, Japan’s Re-Emergence as a ‘Normal’ Military Power, (London and New York: RoutledgeCurzon, 2006).

\textsuperscript{14} On the centrality of Taiwan to Communist Party legitimacy see Christopher R Hughes, Chinese Nationalism in the Global Era, (London and New York: RoutledgeCurzon, 2006).

\textsuperscript{15} Japan Defense Agency, Overview of Japan’s Defense Policy, available online at http://www.mod.go.jp/e/index_.htm

\textsuperscript{16} Wang, Jisi, ‘China’s Search for Stability with America’, Foreign Affairs Vol. 84, No. 5, (Sept/October 2005), p. 46.
Recent events on the Korean peninsula also show how a solution to the nuclear crisis ultimately depends on whether a deal can be struck between Pyongyang and Washington. When North Korea exploded a nuclear device in October 2006, the day that the new Japanese Prime minister, Shinzo Abe, visited Beijing and at the start of a key Communist Party meeting there, this was a hard slap in the face for the policy of economic and diplomatic engagement with Pyongyang that has been pursued by China (and South Korea). When American negotiators got the talks restarted by striking a deal with Pyongyang in Berlin the following January, it was clear where the power really lies in seeking a solution to this on-going crisis.

It is interesting that the agreement reached when the Six Party Talks resumed in February did envision expanding the remit of the forum to explore the wider promotion of multilateral security cooperation in Northeast Asia. Yet, as of writing, the limitations of such a vision were being exposed by Pyongyang’s continuing failure to allow IAEA inspectors to visit its nuclear facilities. Japan, too, has refused to go along with the agreement to provide aid that is the equivalent of 50,000 tons of crude oil to North Korea until the fate of its abducted citizens had been clarified to Tokyo’s satisfaction. In the meantime, with it being unclear whether Washington’s ultimate priority in this situation is de-nuclearisation or regime change, depending on American hegemony to provide security in the region can only be described as reluctant at best.

The constraints of nationalism: Japan

The main factor underlying this inability of the states of Northeast Asia to move beyond reliance on the power of the United States and start to resolve the disputes left over from history is the failure to connect regional integration with domestic political change and developments in public opinion in particular. This can be seen quite clearly in the attempt to create what policy makers in Beijing have called a ‘new starting point’ in the troubled relationship between China and Japan. It has to be said that problems such as environmental degradation and migration and even traditional issues such as territorial disputes and military transparency are not unique to this relationship. What makes such problems so hard to manage for leaders and policy-makers in China and Japan is the growth of new nationalistic movements. Despite long-standing efforts by governments on both sides to maximise the opportunities presented by economic integration and complimentarity, the April 2005 anti-Japanese demonstrations in Chinese cities showed how the advent of internet and mobile phones has made public opinion much more difficult to contain when it comes to issues that touch on raw nationalistic nerves.

Since 2005 the Chinese government has prohibited further demonstrations against Japan and used the end of the administration of the controversial Prime Minister Koizumi in September 2006 to establish the ‘new starting point’. An intense round of high-level diplomacy between Beijing and Tokyo laid the groundwork for Japan’s new prime minister, Shinzo Abe, to make Beijing and Seoul his first foreign ports of call. China’s tightly controlled media made Abe’s promise of establishing good

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relations with China and South Korea headline news and the leaders in Beijing spoke of a ‘new beginning’. However, little mention was made of Abe’s plans to reform Japan’s peace constitution, convert the Self Defence Force into a proper military establishment under its own ministry, strengthen the alliance with the United States and inject a new spirit of ‘patriotism’ into the education system. As for whether he will follow his predecessor’s practice of visiting Tokyo’s Yasukuni Shrine to the nation’s war dead, the most controversial of all the symbolic issues in the eyes of China’s population, Abe refused to say whether or not he will go.

Such a situation illustrates not only the disconnection between diplomacy and public opinion, but also the danger that this key bilateral relationship may be held a hostage to domestic politics on both sides. In Japan this could already be seen as Abe’s approval rating dropped from 71 percent on coming to power to just 49 percent by February 2007. Proving less than capable at reining in some of his more controversial cabinet members, and facing the prospect of a fall from power if his Liberal Democratic Party (LDP) did not fare well in Upper House elections scheduled for July, Abe’s inability to move away from the extreme right could be seen when he accepted the revisionist view that there is no evidence to prove that Asian women had been forced into sexual slavery for the Imperial Japanese Army during World War 2.

While Seoul issued an immediate protest, Beijing remained silent on the issue.

The constraints of nationalism: Taiwan

The sidelining of public opinion in favour of solutions reached between elites can also be seen in the management of the Taiwan problem. Here the new ‘status quo’ under which the US constrains Chen Shui-bian from moving towards greater independence has been established between Beijing and Washington without any reference to public opinion on the island itself. Such solutions may have been feasible when Taiwan was under authoritarian government, but it has been a fully functioning democracy since 1996. It is hardly surprising that arguments over national identity and international status rage every time there is a major election, leading to a serious rise in cross-Strait tension. This is especially the case during the presidential elections that are held every four years, the next of which will be in March 2008.

Some commentators claim that the new status quo can hold because Taiwan’s voters have gone cold over identity politics and that the independence movement has run out of steam. Chen Shui-bian’s popularity has certainly suffered over issues of corruption and the opposition KMT is fielding a rising star, former Taipei mayor Ma Ying-jeou, who promises to maintain an interpretation of the status quo that does not rule out eventual unification with China. Yet Chen Shui-bian was written off in this way half way through the last presidential electoral cycle, when he was posting an approval rating of just 27 percent against the opposing team on 44 percent. He then went on to win the election in March 2004, with a tiny majority of 30,000 votes.

Although this victory was probably sealed by the sympathy Chen gained from an assassination attempt on his life the day before polling, this cannot explain how he

managed to increase his overall share of the vote by a staggering 11 percent compared to the 39 percent he achieved in the 2000 presidential election.

To understand this remarkable turnaround it is necessary to realise that the DPP is a strong campaigning party that is good at radicalising public opinion around identity politics during elections. In September and October 2003 it achieved this by holding large rallies demanding that the island’s name be changed from the ‘Republic of China’ to ‘Taiwan’. Chen also proposed writing a new constitution, to replace the anachronistic document adopted in China in December 1946 before the Nationalist regime retreated to Taiwan in 1949. This was to be agreed on by a referendum, which in turn required passing a referendum law, a taboo recognition of the practice of popular sovereignty in the eyes of Beijing. By November an enraged China was beginning to talk about the possible use of force against Taiwan. This played right into Chen’s hands, allowing him to portray his opponents in the presidential race as traitors to Taiwan because their parties were blocking the referendum bill in parliament. By the end of December Chen was drawing ahead in the opinion polls. His opponents, in danger of looking like lackeys of Beijing, had to do a u-turn and allow the referendum law to be passed. Even more disturbing for Beijing was that they had to accept for the first time that independence was a legitimate option for the people of Taiwan.

It is these domestic dynamics in Taiwan that led Washington to warn Chen Shui-bian that the United States does not support independence for the island and that it opposes unilateral changes to the status quo by either side. The limits of US influence over Taiwan, however, were indicated when Chen still went ahead with the referendum, albeit on new questions that did not touch on constitutional reform. In the longer term Beijing can draw little comfort from the way that the DPP tends to win elections by shifting the domestic debate away from its lacklustre economic performance and on to issues related to the island’s independence from China.

As the DPP approaches the elections of December 2007 and March 2008 trailing in the opinion polls, it is trying to radicalise politics around identity issues again by focusing its fire on Ma Ying-jeou’s ambiguous approach to China. The issue of constitutional reform is still being promoted and a movement to apply for UN membership under the name ‘Taiwan’ has been launched by Chen Shui-bian. Whether or not there will be another referendum on any of these issues is something of a moot point, when what is important in the long term is the consolidation of a middle-ground of public opinion that is firmly set against any prospect of unification with China.

**Riding several political cycles at once**

This situation is given an added degree of sensitivity by the way in which the political cycles in Taiwan and Japan are developing at the same time as key events unfold inside China. The first of these is the approach of the Chinese Communist Party’s (CCP) Seventeenth National Congress in the autumn of 2007. This five-yearly event is always the most important in China’s political calendar and this time marks the mid-point of Hu Jintao’s term as General Secretary of the CCP. Freed from the constraints left by his predecessor, Hu will be expected to make his mark on policy

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22 See for example comments by Wang Zaixi, Vice Minister of Taiwan Affairs Office of State Council of the PRC, in official media 19 November 2003.
and to promote the next generation of leaders to positions where they can be eased into the top positions when he himself stands down at the next congress in 2012. Some observers see Hu’s orientation on sensitive issues like Taiwan as placing a higher value on economic development than nationalistic goals like national unification and thus more likely to maintain the status quo over an issue like Taiwan. The general preoccupation with internal party affairs as the congress approaches, however, heightens the likelihood that policy-makers will be distracted from the finer details of crisis management. The most likely cause of a crisis between China and either Taiwan or Japan (or even both at the same time) has always been the danger of miscalculation.

There is also a danger that the intensification of factional infighting that takes place in Beijing when a congress approaches will leave Hu Jintao more open to challenge from other sectors of the elite if he appears weak when dealing with issues that touch a raw nationalistic nerve. Such a situation will be more difficult to manage if it feeds on the increasing volatility of public opinion in China. One of the striking features of this in recent years has been the rise of what is now called the ‘New Left’, a loose coalition of individuals unhappy over issues such as growing inequality, corruption and the departure from socialism. It also has roots in the rise of what is called the ‘new nationalism’, however, which became visible in the 1990s and reached a peak when demonstrations against the United States erupted in Chinese cities following the destruction of China’s embassy in Belgrade by NATO missiles in 1999. While the authorities have been able to quell such outbreaks since the 2005 anti-Japanese demonstrations, such actions reveal the difficulties of managing the complex interplay that now exists between party politics in the CCP, Chinese public opinion and events occurring inside Japan and Taiwan.

**Looking to 2008 – challenges and opportunities**

Whether the Southeast Asian experience of building regionalism can be transferred to the more turbulent sub-region of Northeast Asia will depend very much on how deeper social transformations work out in domestic politics as new generations come of age. As has been shown above, developments in ASEAN show that a very gradual softening of the post-colonial attachment to state sovereignty is taking place as the project of building a social and cultural community is rising up the regional agenda. At the same time, political elites in China and Japan are attempting to go beyond their previously established practice of leaving contentious issues for future generations to resolve. In March 2007 they held a seventh round of discussions over the possibilities for joint exploitation of gas reserves in the East China Sea and the two sides have even established a joint working group of historians to look into the possibility of reaching a consensus on the historical record of their tormented past relationship. If such small shoots are to grow, however, it will also be necessary for political elites to refrain from using nationalistic domestic political cultures inherited from the post-colonial tradition as a political resource to bolster their own domestic legitimacy.

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23 This view has been put most persuasively in Yun-han Chu, ‘Power Transition and the Making of Beijing’s Policy Towards Taiwan’, *China Quarterly* Vol. 176 (December 2003). pp. 960-980.
In the immediate future the extension of the ASEAN mode of diplomacy and region building to Northeast Asia faces the challenge of a situation in which international politics is likely to be radicalised by the way in which a number of events and domestic political cycles are coming together in a relatively short period of time. Underlying these dynamics is the approach of the 2006 Summer Olympics in Beijing. Many in China are acutely aware that the 2008 Olympics presents a window of opportunity for anybody with a grievance against China to try to gain concessions while Beijing is constrained from taking aggressive counter-actions that would spell the end of its ‘peaceful rise’. This dynamic has already been shown in action by the way in which the international campaign against China’s support for the regime in Sudan has drawn a parallel with the 1936 Berlin Olympics.

This dynamic would become far more destabilising if the Chinese leadership had to face a public opinion enraged by possible developments during Taiwan’s elections or by provocative actions by politicians contesting for political power in Japan. It should also be remembered that 2008 will be a presidential election year in the United States when there is always a strong temptation to use any perceived weakness in Washington’s China policy to undermine the credibility of the incumbent. This can range from complaints about the ever-growing trade deficit with China, through criticism of Beijing’s human rights record, to concerns about the commitment to defend Taiwan.

Against the backdrop of the general upgrading of arsenals and capabilities in the region and challenges such as the further development of North Korea’s nuclear programme and the location of increasing numbers of missiles on the Chinese coast opposite Taiwan, the prospects that domestic political ferment in one or all of the states concerned could lead to a miscalculation are disturbing indeed. On the positive side, the enormous economic stakes involved and the massive military power that could be unleashed in Northeast Asia makes the prospect of armed conflict unlikely. Almost as worrying, however, would be the prospect of foreign policy issues feeding growing domestic instability in any of the states concerned, especially China. The regional practices and institutions that have been developed since the end of the Cold War thus face a severe test. If they prove to be in any way useful for managing crises and maintaining stability beyond the summer of 2008, the region will have emerged in good shape to give real substance to the vision of an Asian Community.