# THE RISE OF CHINA AND COMMUNITY BUILDING IN EAST ASIA

# Zhang Xiaoming

The rise of China is certain to have a great impact on the direction East Asian regionalism takes. In that rapidly evolving process, China will play a major role in integrating with the region. China's rise is an opportunity for East Asian community building, because China has been a responsible participant in the community-building process. On the other hand, China's growing power and influence in East Asia could also arouse fear and anxiety, especially in China's neighborhood, which could hamper the process of community building in East Asia.

**Key words:** economic development in China, multilateral economic cooperation in East Asia, community building in East Asia

#### Introduction

In recent years, people have talked a good deal about China's so-called "rise" and its implications for global and regional international relations. Chinese politicians and intellectuals have long advocated the strategy of "peaceful rise" or "peace and development." The rise of China coincides with the process of East Asian community building, which is clearly an evolving and

rapidly developing process. Is China's rise a challenge to or an opportunity for East Asian regional community building? I argue that the rise of China is an undeniable fact. It is a historical process that started in the late 1970s when China adopted the reform and open-door policy. The rise of China is sure to have a great impact upon the orientation of East Asian regionalism because it will cause China to play a greater role in that process and to integrate with this region. Generally speaking, the rise of China is an opportunity for East Asian community building because China has been a responsible participant in the community-building process. On the other hand, China's growing power and influence in East Asia could also arouse fear and anxiety, especially in China's neighborhood, which would hamper the process of community building in East Asia.

The focus of this essay is on China's rise and role in East Asian community formation. I will review government statements and intellectuals' arguments on an "East Asian community," and China's priorities in terms of economic cooperation, cultural exchange, security (both traditional and non-traditional) cooperation, and institutional structure.

# The Rise of China and China's Approach to East Asian Regionalism

The rise of China first refers to the rapid and sustained growth of the Chinese economy since the late 1970s when reform and open-door policy were adopted. China's rise also refers to the modernization of the Chinese military and the reviving of Chinese culture (*Zhonghua wenming de wenda fuxin*). But the center of China's rise has been its economic development. In other words, the rise of China is the process of China's modernization, most important of all, economic modernization. As Deng Xiaoping pointed out in March 1979, modernization construction is China's first priority. He emphasized that "socialist modernization construction is currently the biggest politics, because it represents the foremost and fundamental interest of our people." 1

<sup>1.</sup> Deng Xiaoping, *Deng Xiaoping wenxuan* (Selected Works of Deng Xiaoping), vol. 2 (Beijing: People's Press, 1994), pp. 162-63.

The rise of China has become a cliché. In recent years, great quantities of ink have been spent analyzing what this "rise" implies for the rest of East Asia, for the United States, and for the world.<sup>2</sup> The rise of China has been a long historical process, starting in late 1970s when the "reform and opening to the outside world" policy was adopted. Since then, China has undergone dramatic economic, political, social and cultural transformations. The process of China's rise is not yet complete and will continue into the foreseeable future.

This article does not elaborate on the details of China's rise, but rather on the effects of China's rise on East Asian regionalism. The rise of China has had a great impact on China's approach toward East Asian regional cooperation, especially regional multilateral cooperation, or East Asian regionalism. Especially in the earlier stage of its rise, China tried to use regional multilateral cooperation as an important way to pursue a "favorable international environment" in neighboring areas to promote domestic construction. Some of China's neighbors are suspicious of its motives, especially after the 1995-1996 Taiwan Strait crisis. China had to assure its neighbors that it would be a responsible and benign power. Multilateral cooperation might help to overcome the lingering mistrust of Beijing. As one scholar argued, "Politically, China's embrace of multilateralism in Asia will also help to burnish its good neighbor image."

As economic interdependence between China and its East Asian neighbors developed, the increasingly binding economic interests encouraged China to take an active attitude toward regional multilateral economic cooperation with its neighbors. China expanded business networks throughout East Asia. For example, the trade volume between China and the ten Association of Southeast Asian Nations (ASEAN) increased dramatically from

Morton Abramowitz and Stephen Bosworth, Chasing the Sun: Rethinking East Asian Policy (New York: The Century Foundation Press, 2006), pp. 13-14.

<sup>3.</sup> Chia Siow Yue, "The Rise of China and Emergent East Asian Regionalism," in Kokubun Ryosei and Wang Jisi, eds., *The Rise of China and a Changing East Asian Order* (Tokyo: Japan Center for International Exchange, Inc., 2004), p. 52.

<sup>4.</sup> Hugh De Santis, "The Dragon and the Tigers: China and Asian Regionalism," World Policy Journal, vol. 22, No. 2 (Summer, 2005), pp. 23-36.

\$800 million dollars in 1979 to \$105 billion in 2004.<sup>5</sup> Presently, China-East Asia trade comprises about 51 percent of China's foreign trade volume.<sup>6</sup> As a result, to speed domestic modernization, China has actively promoted regional free trade agreements.<sup>7</sup>

On the other hand, with the sustained growth of China's power, especially its rapid economic growth, China has demonstrated a willingness and confidence to play a much greater and more active role in regional multilateral cooperation, including community building in East Asia. As early as the early 1990s, China joined a series of regional multilateral organizations, forums, or conferences. China became a member state of the Asia-Pacific Economic Cooperation (APEC) forum in 1991 and has been holding a positive, responsible, and cooperative attitude toward APEC and its activities. Also in 1991, China began a dialogue with ASEAN as a consultative partner, and became a full dialogue partner in 1996. Additionally, China responded positively by sending its foreign minister to participate at the founding dinner of the ASEAN Regional Forum (ARF) in July 1993 and then joined the ARF. On the second track, China joined the Council for Security and Cooperation in the Asia Pacific (CSCAP), and the Northeast Asia Cooperation Dialogue (NEACD) in 1991. However, generally speaking, in the early 1990s, China's participation in those regional multilateral groups was passive and tentative; China was not so active in regional institution building, nor did it take any initiative in them. In fact, China worried that by joining the multilateral institutions, it would become a target of criticism over some issues, such as human rights. The Chinese also feared that if influential countries like the United States or Japan were members, the organization would be dominated by them.<sup>9</sup>

Cited from Wu Jianmin, "Bawo shidai tedian, zou heping daolu" (Grasp Features of the Era and Follow the Road of Peaceful Development), Foreign Affairs Review, vol. 84, No. 5, (October, 2005), pp. 6-12.

<sup>6.</sup> Lu Jianren and Wang Xuhui, "Dongya jingji hezuo de jinzhan jiqi dui qita diqu jingji zengzhang de yingxiang" (The Development of the East Asian Economic Cooperation and Its Impact on the Regional Economic Development), Contemporary Asia Pacific, No. 2 (2005), pp. 3-12.

<sup>7.</sup> De Santis, "The Dragon and the Tigers."

<sup>8.</sup> Lu Jianren, *Yatai Jinghezuzhi yu Zhongguo (APEC and China)* (Beijing: Economic Administration Press, 1997), pp. 157-67.

<sup>9.</sup> Ezra F. Vogel, "The Rise of China and the Changing Face of East Asia,"

Even so, China has developed a more active attitude toward participation in regional multilateral institutions since the late 1990s, especially since the Asian financial crisis. As Chinese President Jiang Zemin declared at the Fifteenth Congress of the Chinese Communist Party in September 1997, China "should take an active part in multilateral diplomacy." And Chinese Foreign Minister Qian Qichen argued in February 1998: "China has taken an active part in international and regional multilateral diplomacy." In recent years, China has been playing a much more active role in ASEAN+3 (China, South Korea, Japan), APEC, and other regional multilateral institutions in East Asia, even taking a lead in the Six-Party Talks on the North Korean nuclear issue. Further, Chinese decision makers and intellectuals have demonstrated a great interest in community building in East Asia.

One of the most important reasons for China's active attitude toward East Asian community building is that, with the rapid growth in power, China has become increasingly confident in dealing with international affairs, more conscious of its global and regional responsibilities, and progressively more outspoken on community building and China's role in its formation. Especially after joining the World Trade Organization (WTO) in 2001, China has become much more interested in formulating free trade arrangements with others. Chinese officials and scholars have also become much more adept at joining multilateral organizations and taking part in international discussions.

At the same time, China has been learning to be a responsible member of international society, especially in East Asian regional affairs. China is a newcomer to the West-dominated international society. This society originated in Europe and expanded to an international level through the process of European expansion and decolonization, and as sovereign states became the dominant form of political organization.<sup>12</sup> Through the open-door process, China has recognized its interest in a sta-

Asia-Pacific Review, vol. 11, No. 1 (2004) pp. 46-57.

<sup>10.</sup> Jiang Zemin's speech at the Fifteenth Party Congress, cited from *Beijing wanbao* (Beijing Evening News), September 22, 1997.

<sup>11. &</sup>quot;Qian on Chinese Diplomatic Achievements in 1997," *Beijing Review*, February 2-15, 1998, p. 7.

<sup>12.</sup> Kai Alderson and Andrew Hurrell, eds., *Hedley Bull on International Society* (London: Macmillan Press, 2000), p. 12.

ble international society, both global and regional. As a result, China has clearly indicated a willingness to pursue objectives within the framework of common rules and institutions. Beijing has been attaching importance to international institutions, such as the United Nations and other global and regional institutions. Chinese leaders time and again argue that China is a responsible member of international society. Chinese international relations scholars show great interest in the English School and constructivism, which emphasize the importance of shared norms, values, and institutions in international relations. In 2000, Alexander Wendt's newly-published book (*Social Theory of International Politics*) was translated into Chinese, <sup>13</sup> as were classics of the English School such as Hedley Bull's *Anarchical Society*. <sup>14</sup>

#### **Economic Community**

To the Chinese, formation of an East Asian economic community is at the center of East Asian community building because the experience of European integration reveals that regional multilateral economic cooperation is much easier than building cooperation in other fields such as security and culture. To some extent, an economic community is the first step in the process of East Asian community building. Furthermore, since sustaining economic growth is China's top priority, strengthening economic cooperation with East Asian neighbors remains a priority in its regional strategy. While in the 1980s trade between inter-East Asian countries was only 33.8 percent of the area's total foreign trade, by the beginning of this century, it approached 50 percent. Seventy percent of Chinese foreign economic activities occurred in East Asia, and 85 percent of China's foreign investors came from this area.<sup>15</sup> In the early 1990s, China was not very enthusiastic about formal, structured regional trade arrangements, partly

<sup>13.</sup> Alexander Wendt, *Guoji zhengzhi de shehui lilun (Social Theory of International Politics)*, trans. Qin Yaqing (Beijing: Century Publishing Group of Shanghai, 2000).

Hedley Bull, Wuzhengfu shehui (Anarchical Society), trans. Zhang Xiaoming (Beijing: World Affairs Press, 2003).

<sup>15.</sup> Ma Hong, "On Economic Cooperation in East Asia," cited from website.

because it was not yet ready for rapid trade and investment liberalization at home, and partly because it was skeptical about Japan playing a leading role in the regional economy. China's participation in the APEC initiative was largely circumstantial, and it coincided with the insistence that APEC remain a "forum." Beginning in the new century, especially after joining the WTO, China took a very active approach toward the construction of regional economic institutions.

China has played a leading role in building a free trade area (FTA) between China and the ASEAN members. The 1997-1998 East Asian financial crisis generated a feeling of community among Chinese and other East Asian peoples. Although China weathered the regional storm and Chinese GDP continued to increase at a high growth rate, its export growth dropped from 20 percent to 0.5 percent in 1998, and foreign direct investment fell to its lowest point in two decades. <sup>17</sup> During the crisis, Beijing fully understood the economic interdependence with its neighbors and extended financial support to Thailand, Indonesia, and South Korea. Moreover, China maintained the value of its currency and demonstrated to its East Asian neighbors that it would not seek to exploit their economic misfortunes. As a result, China emerged as a model of economic stability and responsible leadership. Formalized luncheon meetings between ASEAN officials and the foreign ministers of China, Japan, and South Korea (ASEAN+3) were instituted to limit the effects of the financial crisis in Asia and to avert future such calamities. But it rapidly developed into a framework to discuss regional cooperation.<sup>18</sup>

Beginning in 2000, China took the initiative to form a free trade area with ASEAN at the ASEAN+3 forum. In November 2000, Premier Zhu Rongji expressed the Chinese idea of a free trade area at the fourth ASEAN+3 meeting in Singapore, which led to the formation of an ASEAN-China expert group and the issuing of a report, *Forging Closer ASEAN-China Economic Relations in the Twenty-First Century*. That report recommended the establishment of an ASEAN-China FTA within ten years. China and

<sup>16.</sup> Wang Jisi, "China's Changing Role in Asia," in Ryosei and Wang, eds., *The Rise of China and a Changing East Asian Order*, pp. 7-8.

<sup>17.</sup> De Santis, "The Dragon and the Tigers."

<sup>18.</sup> Ibid.

ASEAN signed the Sino-ASEAN Framework Protocol on Overall Economic Cooperation in November 2002. It commits ASEAN and China to start negotiations on an FTA that will cover trade in goods and services, and investment liberalization and facilitation, among other areas. The goal is to establish the FTA by 2010 for ASEAN-6, and by 2015 for the other four ASEAN countries, namely Cambodia, Laos, Myanmar, and Vietnam (CLMV), with flexibility on sensitive commodities and preferential tariff treatment for the CLMV countries. Once the FTA is completely established, the area will have 1.7 billion consumers, a GDP of \$2 trillion, and a \$ 1.2 trillion trade volume. Regardless of the ten-year time frame for completing the ASEAN-China FTA, China has agreed to open up certain agricultural product sectors earlier so that participating countries can benefit from increasing trade before the FTA actually comes into force.

As another effort to build an East Asian economic community, China signed a declaration with Japan and South Korea in 2003 that agreed to study the possibility of the formation of a China-Japan-Korea FTA. China clearly expressed support for the establishment of this FTA. The call by Zhu Rongji during his meeting with his Japanese and Korean counterparts at the ASEAN+3 summit in Cambodia in November 2002 to form a trilateral free trade area is a significant gesture. Some Chinese scholars advocated setting up the China-Japan-Korea FTA within ten to fifteen years. <sup>19</sup> But to the Chinese leadership, the East Asian FTA is still a long-term goal.

The Chinese also demonstrated an interest in financial and monetary cooperation with its East Asian neighbors. The East Asian countries have made a great effort to launch an East Asian monetary fund and an East Asian currency. The Japanese Ministry of Finance proposed an Asian Monetary Fund in the wake of the 1997-98 crisis, but it was scuttled by the Clinton administration and the International Monetary Fund. But at the ASEAN+3 meeting of finance ministers in May 2000, the Chiang Mai Initiative (CMI) was announced, which was to pool the hard currency resources of ASEAN+3 member states, monitor capital flows, and facilitate financial swap arrangements. Thus, regional financial

<sup>19.</sup> Lu Jianren, "Lun dongbeiya jingji gongtongti" (On Northeast Asian Economic Community), Contemporary Asia Pacific, No. 6 (2005) pp. 44-51.

surveillance has been turned into a reality.

CMI set up a foundation for a future regional financial regime, such as a regional monetary fund. Optimists portray the CMI as the forerunner of an Asian Monetary Fund and an eventual common currency for East Asia. Critics question whether the present thirteen members satisfy the criteria for an optimal currency area and they note the political and economic obstacles to such deep integration. Some Chinese scholars highly praised the CMI by claming that it laid the foundation for the development of a higher-level financial cooperation regime in East Asia. In February 2005, ASEAN+3 set up the Asian Bellagio Group, named after Europe's Bellagio Group, to stabilize regional currencies against the dollar. In recent years, Chinese scholars have done a significant amount of research on East Asian monetary cooperation. 22

In addition, China has shown interest in sub-regional economic cooperation by participating in the Tumen River Area Development Project and the Great Mekong River Development Project. These projects are also part of the effort to build an East Asian economic community.

## **Security Cooperation**

To some extent, East Asia is a grand chessboard for geopolitical struggles. There are several big powers in East Asia, and we have to regard the United States as one of them, if not the most important East Asian great power and regional player.<sup>23</sup> The lack of trust between and among big powers is a major barrier to regional security cooperation in East Asia. The cold-war divisions, such as the Mainland China-Taiwan confrontation and the political division of the Korean peninsula, still persist. There are

<sup>20.</sup> Chia, "The Rise of China and Emergent East Asian Regionalism," p. 64.

<sup>21.</sup> Zhang Yunling, "Tanqiu dongya de quyuzhuyi" (On East Asian Regionalism), Contemporary Asia Pacific, No. 12 (2004), pp. 3-7.

<sup>22.</sup> Ding Yibing and Li Xiao, "Guanyu dongya quyu huobi hezuo yanjiu: wenxian zongshu" (Study of East Asian Regional Monetary Cooperation: An Introduction), Contemporary Asia Pacific, No. 6 (2004), pp. 16-22.

<sup>23.</sup> Christopher M. Dent and David W. F. Huang, eds., *Northeast Asian Regionalism: Learning from the European Experience* (London: Routledge-Curzon, 2002), p. 1.

also conflicting claims to territories and resources in this region, such as the South China Sea disputes between China and some ASEAN countries, the Northern Territories dispute between Russia and Japan, the Diaoyutai (Shenkaku) islands and East China Sea disputes between China and Japan, and the Tokdo (Takeshima) Islands dispute between Japan and South Korea. As a result, it is very difficult for the East Asian countries to move beyond geopolitics to build a security community in the region.

Nevertheless, countries in the region have the will to form multilateral security institutions to deal with regional security affairs. In recent years, China has been an active player in East Asian multilateral security cooperation, such as the ARF. At the third ARF meeting in 1996, then Chinese foreign minister Qian Qichen suggested that the ARF start a dialogue on defense conversion, and begin discussions on comprehensive security cooperation. He offered a number of proposals to promote confidence-building measures, such as notifying and inviting other ARF members to observe military exercises, and reducing and eventually eliminating military reconnaissance targeted at ARF members.<sup>24</sup>

China tried to solve the South China Sea disputes with some Southeast Asian countries in a multilateral way. At a China-ASEAN dialogue forum in April 1997, China agreed for the first time to talk about ASEAN members' claims in the South China Sea and offered to frame a code of conduct governing ties with ASEAN. 25 At the November 2002 summit in Phnom Penh, China and ASEAN signed the Declaration on the Conduct of Parties in the South China Sea, which mitigated the fear of ASEAN countries concerning the South China Sea disputes. As one scholar commented, the agreement "reaffirmed Deng Xiaoping's concept of 'peace and develop' and Beijing's acceptance of multilateralism." 26 At the Bali summit a year later, China acceded to ASEAN's Treaty of Amity and Cooperation.

The North Korean nuclear issue is one of the most difficult

<sup>24.</sup> Jianwei Wang, "Chinese Perspectives on Multilateral Security Cooperation," *Asian Perspective*, vol. 22, No. 3 (1998) pp. 103-32.

<sup>25.</sup> Michael Vatikiotis, "Friends and Fears," Far Eastern Economic Review, May 8, 1997, p. 15.

<sup>26.</sup> De Santis, "The Dragon and the Tigers."

security problems China faces. China has been playing a vital role since 1997, and a leading role since 2003. As early as 1997, China joined the quadrilateral talks on the Korean peninsula in Geneva. It was the first time China agreed to participate in a multilateral forum on Korean affairs. Since the second round of the North Korean nuclear crisis in late 2002, China has made greater efforts to solve the issue within a multilateral framework by hosting the meetings and providing creative proposals. An official news report on January 10, 2003 revealed that former President Jiang Zemin told U.S. President George W. Bush that China did not endorse North Korea's decision to withdraw from the Nuclear Nonproliferation Treaty.<sup>27</sup>

China has since been exerting influence on the North Korean nuclear issue through a multilateral framework, even though Pyongyang had insisted in the past that the issue is a bilateral one between it and the United States. China initiated and hosted the multilateral forums on the North Korean nuclear issue. In April 2003, Beijing hosted a three-party meeting on the North Korean nuclear issue between China, North Korea, and the United States, which paved the way for the Six-Party Talks. China also hosted the first, second, and third rounds of those talks in Beijing, involving itself, Japan, the two Koreas, Russia, and the United States, in August 2003, February 2004, and June 2004. Even after the scheduled fourth round of talks (in September 2004) were aborted due to the North Korean boycott and their declaration that they possessed nuclear weapons, the Chinese played the role of a mediator between Washington and Pyongyang and tried to bring North Korea and the United States back to the table. With great and creative efforts, the fourth round of talks resumed in Beijing in July and August of 2005, resulting in a joint statement on denuclearization of the Korean peninsula in September 2005. China recently hosted the fifth round of talks in Beijing in November of 2005. China made a great contribution to solving the North Korean nuclear issue in a multilateral way and won high praise from international society. For instance, during his visit to China in November 2005, President Bush thanked China for "taking the lead" in disarmament talks with North Korea.<sup>28</sup>

<sup>27.</sup> Wang Jisi, "China's Changing Role in Asia," pp. 9-10.

<sup>28.</sup> Joseph Kahn and David E. Sanger, "Bush, in Beijing, Faces a Partner

In the field of nontraditional security, China has also demonstrated an active attitude toward regional multilateral cooperation. Nontraditional security issues—such as money laundering, terrorism, drug and human trafficking, privacy, environmental and health matters (SARS and bird flu)—lend themselves to greater regional cooperation. China is willing to enhance ARF cooperation on such matters, especially responding to global terrorism. But China is sensitive about matters involving national sovereignty. In addition, the Chinese government encourages and supports the participation of government officials and scholars in second-track dialogues on East Asian security.<sup>29</sup>

#### **Cultural Exchange**

It has been argued that there are three main historical eras when China rose to become the most powerful and prosperous country in East Asia. The first was the Qin-Han unification of the first bureaucratic empire, which lasted from the third century B.C. to the third century A.D. The second was the Sui-Tang reunification that followed a series of trial invasions and the ascendancy of Buddhism within China. The third was the most powerful rise before modern times, namely that of the Ming and Qing dynasties when the Confucian tradition was reconstructed and reinforced as a new orthodoxy. The present rise started when China's reform and open-door policy was adopted. Wang Gungwu writes: "It could be assumed that China's rise to regional power for the fourth time will have cultural implications for the region." 30

With the increasing growth of material or "hard power," China, as a major power with a long cultural tradition in East Asia, is sure to increase its cultural attractiveness, or "soft power." The spread of Chinese language and cultural products might strengthen the cultural connection between China and its neigh-

Now on the Rise," New York Times, November 20, 2005.

<sup>29.</sup> Chen Hanxi, "Di er guidao waijiao: CSCAP dui ARF de yingxiang" (Second-track Diplomacy: CSCAP's Impact on ARF), Contemporary Asia Pacific, No. 4 (2005), pp. 37-42.

<sup>30.</sup> Wang Gungwu, "The Cultural Implications of the Rise of China on the Region," in Ryosei and Wang, eds., *The Rise of China and a Changing East Asian Order*, p. 82.

bors. More and more young people from neighboring countries are flocking to Chinese universities. Of course, their cultural products, especially from South Korea, also have had a great influence on the Chinese people.

The cultural connection helps strengthen the community feeling among East Asian peoples and is very important for community building in East Asia. But to many Chinese intellectuals who are now working on East Asian community building, the region's cultural diversity is very obvious, and the outside culture is still playing the dominant role.<sup>31</sup> The Chinese culture itself has been in the process of transition and modernization. It is naive to say that the rise of China will again lead to its cultural domination of East Asia.

It is obvious that community building in East Asia should be based on a regional cultural consciousness or regional identity. In the post-cold war years, people talk a good deal about East Asian identity and values, such as emphasis on a consensual approach, communitarianism rather than individualism, social order and harmony, respect for elders, a paternalistic state, and the primary role of government in economic development. Some scholars agree that the general trend of East Asian regional economic independence has led to what Yoichi Funabashi called in 1993 "an Asian consciousness and identity." Peter Katzenstein has observed that "Asian regionalism is an idea whose time has come," while Singapore scholar and politician Simon S. C. Tay has recently commented on the "rising sense of East Asian identity."

The formation of an East Asian community sense and regional identity should be the result of a long process of social interactions among East Asian countries and peoples in different fields, especially in cultural exchanges. But emotional factors,

<sup>31.</sup> Li Wen, Dongya hezuo de wenhua chengyin (The Cultural Factor of East Asian Cooperation) (Beijing: World Affairs Press, 2005), pp. 10-11.

<sup>32.</sup> Han Sung-Joo, "Asian Values: An Asset or a Liability?" in Han Sung-Joo, ed., *Changing Values in Asia: Their Impact on Governance and Development* (Tokyo: Japan Center for International Exchange, 1999), p. 3.

<sup>33.</sup> Yoichi Funabashi, "The Asianization of Asia," Foreign Affairs, vol. 72 (November-December, 1993), pp. 75-83.

<sup>34.</sup> Cited from Richard Stubbs, "ASEAN Plus Three: Emerging East Asian Regionalism?" *Asian Survey*, vol. 42, No. 3 (May-June, 2002), pp. 440-55.

such as the disputes over historical issues between East Asian countries, pose a great challenge to the healthy development of cultural exchange and the formation of regional identity.

#### Institutional Structure or Framework

Community building in East Asia is still at a preliminary stage, and its future direction is uncertain. The East Asian countries are searching for the appropriate way to form a community. One of the related and critical issues concerning the East Asian community is the institutional structure or framework. The Chinese have participated actively in discussions about this issue.

Most Chinese intellectuals support the argument that, at least in the foreseeable future, East Asian regionalism should be open rather than closed.<sup>35</sup> In fact, Beijing has not excluded non-Asian states such as Australia and New Zealand from participation in a regional trading regime. Nor has it tried to circumscribe America's economic and security ties with the region.<sup>36</sup> The Chinese leadership is very clear that if the United States sees East Asian community building as a way of allowing China to exert an unacceptable amount of influence in East Asia, then it may decide to try to forestall any attempts to increase regional cooperation. In fact, during his visit to China in late 2005, U.S. Secretary of Defense Donald H. Rumsfeld criticized China's "seeming preference" for regional organizations that exclude the United States and a recent decision not to invite U.S. officials to participate in an East Asian Summit (EAS) in December 2005.<sup>37</sup> In fact, China did not want to exclude the United States from the EAS. In July 2005, the ASEAN foreign ministers decided to allow nonregional members to join the EAS under certain conditions. India, New Zealand, Australia, and three other non-East Asian countries responded quite positively. The United States, however,

<sup>35.</sup> Zhang Yunling, ed., *Emerging East Asian Regionalism: Trend and Response* (Beijing: World Affairs Press, 2005), p. 10.

<sup>36.</sup> De Santis, "The Dragon and the Tigers."

<sup>37.</sup> Philip P. Pan, "Rumsfeld Chides China for 'Mixed Signals," Washington Post, October 20, 2005.

refused to join.

The EAS is going to be held every two years and hosted by an ASEAN country. In fact, what the United States is concerned about is not open regionalism in East Asia, but a closed and exclusive regionalism in the region. As one scholar correctly commented, "While the US remains hostile towards the formation of an exclusive East Asian region, there are signs that its view on a more open regionalism in East Asia is softening. This in part has to do with its general acceptance of regionalism as a new trend in international politics and economics." 38

Many Chinese analysts regard ASEAN+3 as the centerpiece of regional trade and development. East Asian regional community building badly needs a regional organization as a vehicle for cooperation. APEC, as a regional organization for economic cooperation, includes almost all of the East Asian countries and economic entities, such as Hong Kong and Taiwan. But it is more appropriate to regard APEC "as a trans-regional rather than a regional body," as John Ravenhill has argued. 39 APEC will remain intact as one more discussion forum, but it is difficult for APEC to serve as the dominant regional institution in East Asia. To the Chinese, the ASEAN+3 formula is much more important than APEC. Zhang Yunling, one of the leading Chinese experts on regionalism, has argued that East Asian cooperation is under the framework of "10 plus 3" (APT), which started in November 1997. China accepted the invitation to join the regional grouping, and since then government leaders, ministers, and senior officials from the ASEAN ten and the three Northeast Asian states have been consulting on an increasing range of issues.

One American scholar argues that "the APT now has the potential to become the dominant regional institution in East Asia." The APT summit in 2004 set the long-term goal of East Asian community building. PRC foreign minister Li Zhaoxing recently regarded it as a new development of East Asian cooperation. An Indonesian scholar explains why ASEAN+3 could

<sup>38.</sup> Zhang Yunling, ed., Emerging East Asian Regionalism, p. 25.

<sup>39.</sup> John Ravenhill, "APEC Adrift: Implications for Economic Regionalism in Asia and the Pacific," *Pacific Review*, vol. 13, No. 2 (2000) p. 329.

<sup>40.</sup> Stubbs, "ASEAN Plus Three."

<sup>41. &</sup>quot;Li Zhaoxing's Speech at ASEAN-China-Japan-Korea Foreign Ministers'

evolve, with significant Chinese participation, into an East Asian community:

First, it is a more or less institutionalized process involving ASEAN, China, Japan, and South Korea. From the moment ASEAN-plus-3 was established, it has been a channel in which China has been able to express its interests and priorities. Second, its affairs are conducted in the "ASEAN way," which is informal, consensual, personal, and step by step. This is a style with which China feels quite comfortable. Third, there is a need for East Asia to have a global voice, alongside the voices of the European Union and the United States. China would benefit too from being able to express itself forcefully through the medium of a regional institution. 42

Some Chinese scholars regard the multilayered and step-by-step process as the most viable way for East Asian community building to occur.<sup>43</sup>

It is a well-known fact that East Asia lacks a leading power to serve as a driver for regional community building. Chinese scholars recently have discussed that issue at length. Some of them argue that China lacks the will and capability to lead in East Asian community building. For both historical and geopolitical reasons, the small countries in East Asia would remain a little uneasy with any regional arrangements dominated by either China or Japan. 44 In addition, the United States would not be happy to see China as a leading player in East Asian regionalism since the United States has been pursuing a consistent foreign policy goal in East Asia: "prevent the domination of the region by any power other than ourselves."45 Therefore China supports ASEAN to play the role of the driver. It is very important that China, Japan, and South Korea to cooperate with each other as the three core countries in East Asia. Otherwise, it will be impossible for the East Asian community to materialize in the immediate future.

Meetings," July 27, 2005, Laos, online at www.fmprc.gov.cn/chn/wjb/zzjg/yzs/dqzzywt/t206078.htm.

<sup>42.</sup> Jusuf Wanandi, "China and Asia Pacific Regionalism," in Ryosei and Wang, eds., *The Rise of China and a Changing East Asian Order*, p. 45.

<sup>43.</sup> Zhang Yunling, "Taoqiu dongya de quyuzhuyi," pp. 3-7.

<sup>44.</sup> Zhang Yunling, ed., Emerging East Asian Regionalism, pp. 29-30.

<sup>45.</sup> Abramowitz and Bosworth, Chasing the Sun, p. 1.

As for the decision-making mechanism of East Asian regional multilateral institutions, at least at the present time the Chinese prefer to take a consensual approach, by joining loose, non-binding or non-institutionalized organizations or forums. But they are not opposing the gradual process of institution building.

#### Conclusion

China is rising, and China's economic development is proceeding at an astounding speed. The rise of China has been a longheld dream of the Chinese. As one American scholar commented, "From the time of the Opium War, generations of Chinese have dreamed of making their country rich and powerful. Finally, thanks to Deng Xiaoping's leadership and his policy of reform and opening, it has begun to happen." The prospect of a new and rapidly rising China presents both opportunities and challenges for regional community building in East Asia. China has demonstrated a keen interest in and active attitude toward regional community building since the late 1990s, especially since the fourth generation of leaders under Hu Jintao took over in November 2002.

The rise of China is an historical and continuing process that started in the late 1970s when the reform and open-door policy was adopted. Some Chinese scholars are concerned about the prospect of the so-called "Latin Americanization" of China<sup>47</sup> and the Taiwan issue, which has forced China to spend its energy on cleaning house. However, the rise of China is an undeniable fact, and it has had a great impact upon China's approach toward East Asian regionalism. On one hand, China has been using regionalism to pursue a "favorable international environment" in the surrounding areas and mitigate the lingering mistrust of its East Asian neighbors. On the other hand, China wishes to play a responsible and constructive role appropriate to its increasing power in the process of East Asian community building. As the

<sup>46.</sup> Vogel, "The Rise of China and the Changing Face of East Asia," pp. 46-57.

<sup>47.</sup> Daojjiong Zha, "Comment: Can China Rise?" Review of International Studies, No. 31 (2005), pp. 775-85.

<sup>48.</sup> Zhang Yunling, ed., Emerging East Asian Regionalism, p. 8.

previous analysis shows, China has been demonstrating a great interest in and active attitude toward regional economic community building, security cooperation, cultural communication, and shaping of institutional structures in East Asia. To the Chinese, at least at the present and in the immediate future, regional multilateral economic cooperation is at the center of East Asian community building, although they are also willing to play a responsible, even a leading, role in other fields of community building.

Some scholars argue that multilateralism is a means rather than an end for China. As one scholar maintained: "Far from being an end in itself, Chinese multilateralism is a means to realize narrowly national goals: economic growth, job creation, and domestic order, all of which will presumably confirm the wisdom of the Communist Party and the ruling elite." The same scholar even argued that, "When all is said and done, China's multilateralist proclivities and its advocacy of economic integration may simply be tactics to leverage its longer-term strategic objective of regional domination: a sphere of influence at minimum or, as some scholars have fretted, a revitalized tribute system." <sup>50</sup>

This argument oversimplifies the matter. There is no doubt that China has been adapting tactically to the new trend of regionalism for the sake of its own national interest. But on the other hand, China has also been learning, and the conceptual change in the people's mind is clearly evident. With China's rise, it is willing to be a responsible member of the international society and take an active part in regional community building processes. Although realism is still the dominant paradigm in China, Chinese leaders and intellectuals have also been embracing liberal approaches toward regional cooperation. As two Chinese scholars recently argued, in the era of peace and development China needs both patriotism and internationalism in its diplomacy. They theorize that internationalism in the era of peace and development is China's "new internationalism." <sup>51</sup>

In a word, with the rise of China has come responsible partic-

<sup>49.</sup> De Santis, "The Dragon and the Tigers."

<sup>50.</sup> Ibid.

<sup>51.</sup> Qin Yaqing, Zhu Liqun, "Xin guoji zhuyi yu zhongguo waijiao" (New Internationalism and Chinese Diplomacy), Foreign Affairs Review, vol. 84, No. 5 (October, 2005), pp. 21-27.

ipation in the community-building process in East Asia. China's approach to community building demonstrates both adapting and learning tendencies in the process of regionalization.

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