

**THE BROOKINGS INSTITUTION**  
**CENTER FOR NORTHEAST ASIAN POLICY STUDIES**

**BUILDING ASIA PACIFIC  
REGIONAL ARCHITECTURE:  
THE CHALLENGE OF HYBRID REGIONALISM**

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## Introduction

The Asia Pacific region has undergone fundamental changes in its regional organization and power structure in the post-Cold War era. The region was long perceived as institutionally underdeveloped. Since the 1990s and especially entering the 21<sup>st</sup> century, however, a wide range of community building initiatives and projects have transformed the dynamics of regional institution-building and major power relations in the region. Currently, the region is far from short of community building projects, the proliferation of which creates challenges such as divergent and sometimes competing mandates and differing notions of membership and scope in regional community building.

The Asia Pacific region is now at a critical juncture as regards building its regional architecture for the future. Currently, the regional community and its institutional architecture are a “work in progress,” gradually taking shape. Starting from the 1960s, there were a few stumbling attempts to construct some sort of formal regional community, but all have failed. In the first decade after the Cold War, regional community building was largely driven by the Asia Pacific Economic Cooperation (APEC) dialogues. But as the APEC-centered trade liberalization schemes ran out of steam in the late 1990s, the gravity of regional community building began to shift to East Asia. It was the Asian Financial Crisis (AFC) of 1997-98 that prompted a new wave of efforts aimed at more tightly connecting countries in the region. Since then numerous community building initiatives and projects have been implemented, including the Association of Southeast Asian Nations Plus Three (ASEAN+3) process, the Chiang Mai Initiative, and the East Asia Summit (EAS). In addition, the region has been home to a series of bilateral and multilateral Free Trade Area (FTA) and Economic Partnership Agreements (EPA). Unlike prior attempts to construct an Asia Pacific regional architecture, these projects were driven by the shared sense of purpose among East Asian countries to construct a more Asian-oriented community, with the emerging ASEAN+3 process as its anchoring framework. As the countries in East Asia have become increasingly interdependent, leaders in the region have become more determined to build a framework for greater regional cooperation and integration. As stipulated in the East Asian Vision Group report in 2001, states across the region (both Northeast and Southeast Asia) should join forces “to move a region of nations to a *bona fide* regional community where collective efforts are made for peace, prosperity, and progress.”<sup>1</sup>

These new developments in the Asia Pacific region have raised serious questions about future regional architecture. These questions bring up important issues for debate: How should the region accommodate the different region-building projects? How should Asia Pacific countries balance different notions and dynamics in the community building process? What will the Asia Pacific regional architecture look like in the future? No doubt, the implications of emerging community building projects and the challenges they pose to the

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<sup>1</sup> See the EAVG report, *Toward an East Asian Community: region of peace, prosperity and progress*, p.2. The EAVG was commissioned by the ASEAN+3 leaders in 2000 on a proposal by South Korean President Kim Dae-jung to produce a blueprint for future East Asian community building. The EAVG report, *Toward an East Asian Community: region of peace, prosperity and progress*, was submitted and endorsed by the ASEAN+3 summit in Brunei on 31 October 2001. The full text of the report is available online at the ASEAN Secretariat’s website, [http://www.aseansec.org/pdf/east\\_asia\\_vision.pdf](http://www.aseansec.org/pdf/east_asia_vision.pdf).

Asia Pacific regional architecture are not yet entirely clear. To better understand the debate on these issues, this paper attempts to focus on the implications of multiple region-building projects and hybrid regionalism for future regional architecture in the Asia Pacific region.

The notion of regional architecture adopted in this paper refers to a set of regional institutions, mechanisms, and arrangements that together provide necessary functions for regional cooperation. It is a reasonably coherent network of regional organizations, institutions, bilateral and multilateral arrangements, dialogue forums, and other relevant mechanisms that work collectively for regional prosperity, peace, and stability.<sup>2</sup> Regional architecture thus is not a single region-building project, no matter how comprehensive it could be. Instead, the notion of regional architecture underlies the significance of a coherent network of regional organizations, institutional fabrics, and regional community processes in the Asia Pacific. This paper is not about any particular region-building project. Rather, it is about how hybrid regionalism and multiple community building projects in the Asia Pacific help to shape future regional architecture. The implications of hybrid regionalism are complicated for regional community building, and in many ways the future regional architecture is bound to be a multi-layered and multi-textured structure in the region.

## **Shifting Dynamics of Regional Community Building**

Since the end of the Cold War, Asian Pacific regional cooperation has been largely driven by rising trade liberalization, neoliberal economic policies, the APEC process, and the end of superpower conflict in the region. Yet in terms of regional institutionalization, Asia Pacific is still far behind Europe and North America, being the “weakest link” in the tri-polar world of regionalism. There have been an increasing number of initiatives, arrangements, and projects on regional community and institutional building in the Asia Pacific, especially on the East Asian side, in recent years. These regional measures include bilateral and sub-regional trade agreements, regional security dialogues (such as the ASEAN Regional Forum and Six-Party Talks), regional economic and business fora (such as the Boao Forum and the Asian Cooperation Dialogue), and regular meetings of East Asian leaders (for example, ASEAN+3 and the East Asian Summit). Although some forums and arrangements are still at an embryonic stage, there should be no question that they will eventually grow to be strong candidates for regional institutions and even the leading institution in the region.

**(1) Driving Forces of Community Building.** Regionalism in Asia Pacific is largely advanced by two driving forces.<sup>3</sup> At the transitional level, the major driver for regional integration and community building is market force and non-state actors. East Asia is full of economic dynamism and enjoys one of the highest growth rates in the world. This dynamism is a major driver for regional integration.<sup>4</sup> Despite political impediments to regional

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<sup>2</sup> Nick Bisley, “Asian Security Architectures,” in Ashley J. Tellis and Michael Wills, eds., *Strategic Asia 2007-08: Domestic Political Change and Grand Strategy*, (Seattle and Washington, D.C.: National Bureau of Asian Research, 2007), pp.344-45.

<sup>3</sup> T. J. Pempel, ed., *Remapping East Asia: The Construction of a Region* (Ithaca and London: Cornell University Press, 2005), ‘Introduction,’ pp. 12–24.

<sup>4</sup> See, for example, Edith Terry, *How Asia Got Rich: Japan, China and the Asian Miracle* (Armonk, NY: M.E. Sharpe, 2002).

cooperation, market forces, regional and subregional, were able to create a complex transnational web of linkages across political boundaries among regional states. The rising intra-regional trade, investment, production networks, banking and financial links, technology transfer, communication, cultural and personnel exchanges have all helped to increase regional cohesiveness, connectedness, and interdependence in East Asia.<sup>5</sup> The non-state actors, including multinational corporations, NGOs, private citizens engaged in track-II activities, cross-border media as well as individual workers, students, rock bands, athletic teams, and dance troupes, are the “key spinners of East Asia’s web of cooperation (and occasionally conflict).”<sup>6</sup> Given the fact that the region is still highly diverse and governments remain suspicious of each other, more conscious community building efforts by transnational and problem-oriented bodies are very essential to foster a deeper mixture of regional identity and region-wide networks of cooperation. This is something the inter-governmental actions may not achieve.

At the intergovernmental level, state-sponsored community building in the region, though still far weak and less legalized than counterparts in other regions, has seen a substantial progress since the end of the Cold War. The number of bilateral trade agreements in Asia Pacific grew from twelve in 1995 to sixty-four in 2005.<sup>7</sup> Given the failure of the WTO Doha Round, it would not be a big surprise to see a sharp increase in the number of regional bilateral agreements in the years to come. Multilateral bodies have also gained in strength. Almost all East Asian states have been involved in APEC. National governments in the region have also institutionalized cooperation through a complex network of regional organizations and forums, such as ASEAN, ASEAN+3, ASEM (25+), ARF, and SCO (Shanghai Cooperation Organization). These organizations, together with subregional cooperation projects, growth triangles and quadrangles, cross-border arrangements, and various track-II channels, have created a multi-layered web of political and economic ties across the region. Though new, regional community building is already complicated enough.<sup>8</sup> This complex structure of multilateral cooperation bodies is what Paul Evans calls a “noodle bowl” effect. In his words, this “noodle bowl of Asian regionalism—ASEAN, ASEAN PMC, ARF, SAARC, SCO, APEC, PECC, CSCAP—is not quite as thick or rich as its spaghetti-bowl counterparts in Europe. But in a post-Cold War setting, the noodle bowl is filling quickly.”<sup>9</sup>

**(2) The Turning Point in Asia Pacific Community Building.** However, the Asian financial Crisis (AFC) of 1997-98 marked a clear shift in the direction and gravity of regional community building. The AFC created a new opportunity and momentum for

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<sup>5</sup> For good discussion on transnational regional economic linkages, see Edward J. Lincoln, *East Asian Economic Regionalism* (New York, N.Y.: Council on Foreign Relations and Washington, D.C.: Brookings Institution Press, 2004); Katsuhiko Sasuga, *Microregionalism and Governance in East Asia* (London & New York: Routledge, 2004); Asian Development Bank, *Toward a New Pacific Regionalism* (an ADB-Commonwealth Secretariat Joint Report, Manila: Asian Development Bank, 2005).

<sup>6</sup> T. J. Pempel, *Remapping East Asia*, p.12.

<sup>7</sup> Data was drawn from United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) website.

<sup>8</sup> Paul Evan, ‘Between regionalism and regionalization: policy networks and the nascent East Asian institutional identity,’ in Pempel, *Remapping East Asia*, p. 195.

<sup>9</sup> T.J. Pempel, *Remapping East Asia*, p.14.

regional cooperation focused in East Asia. The financial crisis seriously undermined East Asia's confidence in IMF and APEC-based regionalism. To East Asian states, the Pacific-wide APEC proved to be irrelevant to regional financial crisis and failed to produce an institutional response to regional economic problems.<sup>10</sup> Although the crisis provoked a short-term retreat from trade liberalization, it actually created far-reaching consequences for reorganizing regional political economy. The multitude of developments after the 1997 crisis shored up a new wave of regionalism in East Asia. This new wave of regional cooperation initiatives has served as a catalyst to jump-start and re-orient the direction and format of East Asian regionalism.

Eighteen years ago, Malaysian Prime Minister Mahathir proposed in 1990 to form an East Asian Economic Caucus (EAEC) between Southeast Asian and major Northeast Asian states within APEC. But Mahathir's idea did not fly because of Washington's impediment. At the time Washington was very concerned with the possibility of itself being left outside an Asian-only regional institution, and if the idea of EAEC implemented, that would have drawn a line down the middle of the Pacific Ocean.

Since the AFC, East Asia countries have been heading steadily toward the creation of a regional economic community or at least an East Asian free trade area. Although the eventual entity created by East Asian countries may not be formally called the "East Asian Community" or "East Asia Free Trade Area," and may not be managed by centralized institutions as in the European Union, the core East Asian group—consisting of ASEAN, China, Japan, and South Korea—has already been formed since the 1997 Asian crisis. A series of bilateral free trade area agreements and subregional FTA agreements have either been signed or are in negotiation, emulating China's FTA framework agreement with ASEAN in 2002. Therefore, the future possible configuration of East Asian regionalism may not be a grand institution along the lines of the European Union, but rather a messy combination of bilateral, multilateral, and subregional components including regional trade liberalization agreements and a loose regional institution. This regional institution building will probably be centered on the current ASEAN+3 grouping. With its spinning-top activities, ASEAN plays the role of agenda-setting, dialogue facilitating, and a role model for this so far an imaginary East Asian regional community. By creating the mechanisms of ASEAN+1, ASEAN+3, and ASEAN+x, this regional grouping provided a much-needed institutional venue for East Asian community building. The ASEAN+3 process, bridging Northeast and Southeast Asia and also a platform on which both China and Japan can talk to each other on an equal footing, helped to "draw a blueprint for institutional cooperation that could have a profound impact on the global 'three bloc world' configuration."<sup>11</sup>

The pace of East Asian community building has clearly picked up in recent years. Using the ASEAN+3 framework, regional states have launched an array of diplomatic initiatives and functional cooperation projects on trade, finance, energy, public health, human resources, tourism, and trans-border crime to advance regional community building. These

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<sup>10</sup> Vinod K. Aggarwal and Charles E. Morrison, eds., *Asia-Pacific Crossroads: Regime Creation and the Future of APEC* (New York: St Martin's, 1998).

<sup>11</sup> Youngmin Kwon, *Regional Community Building in East Asia* (Seoul: Yonsei University Press, 2002), p. 29.

intergovernmental projects are complemented by a variety of Track 2 and Track 1.5 activities across the region, such as the Network of East Asian Think-tanks (NEAT) and the East Asian Forum (EAF). These progresses represented a steady movement of East Asian countries toward establishing their own region-wide free trade arrangements or even the creation of an East Asian Community (with a capital “C” in the name).<sup>12</sup> If that is the case, the implication would be that an Asian-oriented community could generate major new discrimination within the existing, broader Asia-Pacific community.

**(3) The Spirit of East Asian Regionalism.** To appreciate the dynamics of community building in East Asia, one must understand the meaning of the “ASEAN Way” and soft regionalism. East Asian countries are not building a European Union type of highly institutionalized community, but a relatively loose, neighborly type of regional cooperation using the ASEAN Way as modality and operational code. The rationale for this kind of community building can be found in the literature of institutional design and the debate on what is the fittest institution for future East Asian cooperation. Regional institution design and its features have long puzzled students of international relations. Given the international society’s experiences with the UN, European Union, WTO, NATO, the Nonproliferation Treaty, and dozens of other regional organizations, institutional design is an interesting topic of inquiry for academics as well as a policy-relevant discourse. In contrast to the realists’ suspicions about institutional solutions to international relations problems, liberal institutionalists believe institutions and institutional designs matter in conflict resolution and regional cooperation. By exploring the *raison d’etre* of institutions and their designs either from regulative or social constructive perspective, the most suitable format of institutional building can be identified. Since the process of East Asian regional cooperation has greatly benefited from the ASEAN Way of diplomacy, it is the most appropriate entry point for us to answer why a relatively loose, neighborly type of regional cooperation based on the ASEAN+3 process is suitable for the future development of East Asian regionalism.

The dynamics of the “ASEANized” process of regional cooperation lies in its empowerment capacity for regional states to engage with each other at a level of comfort. This has created a unique trajectory of intra-regional diplomacy between ASEAN, China, Japan, and other East Asian states. Over the past decade, the ASEAN-ized pattern of intra-regional diplomacy has emerged as a successful showcase of regionalism in world politics. The ASEAN-ized process of regionalism tells a successful story where small states (ASEAN and South Korea) lead and big powers (China and Japan) follow, in contrast to the European and North American cases where big powers lead and small countries follow. Small states in East Asia have motivated and empowered China and Japan to participate in an ASEAN-led institution building. They have initiated ideas and projects to prompt the big powers to act in the interest of the region, against pursuit of their narrowly defined national interests. Indeed, ASEAN’s dialogue partnership arrangements with China and Japan have functioned to keep the two big powers engaged and informed about the small states’ wish for regional stability and prosperity. Since most initiatives for regional cooperation originated in

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<sup>12</sup> East Asian Vision Group report, “Toward an East Asian Community: Region of Peace, Prosperity, and Progress,” report submitted to the ASEAN+3 Summit meeting 2001, the full text available at [http://www.aseansec.org/pdf/east\\_asia\\_vision.pdf](http://www.aseansec.org/pdf/east_asia_vision.pdf).

ASEAN, it has been easier for China and Japan to respond in kind, because the two big powers have less reason to see such initiatives from the prism of their bilateral political relations, which have been difficult over the past decade. In a similar vein, in Northeast Asia, South Korea has played a role much larger than its size would suggest in making APEC include China, Taiwan, and Hong Kong as equal members.

The emerging East Asian community is still loose by European and North American standards, but the dynamism behind community building is quite spirited and energetic. Everyone agrees that East Asia is a very diversified region, and that explains why regionalism, especially regional institution-building, is difficult to start and sustain. However, as the process of building a neighborly community over the last fifteen years indicates, nation-states in the region have finally come across a new, pertinent way to engage each with other. This “ASEAN way” of intra-regional diplomacy is modeled on ASEAN’s culture and codes of conduct, and the essence of this intra-regional engagement emphasizes consultation, mutual respect, consensus building, informality, and refraining from exerting influence and coercion over one other.

The ASEAN way of diplomacy comprises a set of rules or a sub-culture used by the organization to deal with internal conflicts as well as to engage external states. Some scholars argue the ASEAN way is a distinctly Malay cultural approach to the process of interaction, emphasizing that a decision must be made through a careful and equal deliberation among participants.<sup>13</sup> Although scholars differ on how exactly the ASEAN way of diplomacy works, and on how effective it is, most of them agree that its major features include informality, consultation, consensus building, and an incremental approach to conflict resolution. Putting aside the issue of how effective it is, the ASEAN way is particularly suited to conflict management and conflict resolution. It is imperative in conflict management that consensus is reached before any official decision is adopted. No matter whether there are shared values, and cultural and religious identity, the ASEAN way of dialogues is a significant procedural rule of the game. To some people, it is a slow process of incremental deliberation, in which an organization moves toward collective decisions based on group thinking. Yet the ASEAN way requires a non-confrontational attitude, a genuine willingness to see the points of view of others, a conscious refraining from exerting influence or coercion over other member states, and a willingness to be patient and to persevere in reaching consensus. Adherence to these norms produces slow and time-consuming decision making.<sup>14</sup> This distinct ASEAN-styled process of diplomacy is evident in the high frequency of meetings between heads of states and governments, ministers, and senior officials, when they consider political, economic, and social issues. The number of meetings reaches 300–350 annually.<sup>15</sup>

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<sup>13</sup> See, for example, Philips Jusario Vermonte, ‘China–ASEAN Strategic Relations: a view from Jakarta,’ in James K. Chin and Nicholas Thomas, eds., *China and ASEAN: Changing Political and Strategic Ties* (Hong Kong: Centre of Asian Studies, University of Hong Kong, 2005), p. 95.

<sup>14</sup> Hussin Mutalib, ‘At Thirty, ASEAN Looks to Challenges in the New Millennium,’ *Contemporary Southeast Asia*, 19, 1, 1997, p. 79.

<sup>15</sup> Kusuma Snitwongse, ‘Thirty Years of ASEAN: achievements through political cooperation,’ *Pacific Review*, 11, 2, 1998, p. 184.

From a constructivist point of view, the ASEAN way is a set of norms, attitudes, principles, and procedural guidelines for multilateral engagement and conflict management, which has proved to be useful for East Asian community building. To retain a collective strategy and group-thinking type of consensus building, it is important for regional countries to share values and to have a common identity. The ASEAN way can help to form a sense of common identity among East Asian countries. In a practical sense, the core notion of the ASEAN way rejects legalism and emphasizes socialization and consensus building, which form the nucleus of ASEAN's institution-building strategy in Southeast Asia and the wider Asia-Pacific region.<sup>16</sup> ASEAN has become more confident in relying on the collective process and forging group thinking, and has avoided establishing a central coordinating institution to maintain its unity and to engage other powers. This is because the ASEAN way requires each member state to observe some basic norms, including: the principle of seeking agreement and harmony; the principle of sensitivity, politeness, and agreeability; the principle of quiet, private, and elitist diplomacy versus public washing of dirty linen; and the principle of being non-legalistic.<sup>17</sup> In addition to these procedural principles, ASEAN's substantive principles of non-interference, enshrined in the Treaty of Amity and Cooperation (TAC), are also significant for relations among its member states. By looking at the experience of the ASEAN+3 dialogues in the last decade, we can find Northeast Asian states have embraced with these principles and dialogue modalities established by ASEAN. The regional cooperation at the pace and in the degree comfortable to every countries involved has proved to be practical for East Asian community building.

## **The Challenge of Hybrid Regionalism in the Asia Pacific**

As discussed above, Asian Pacific community building and regional architecture is shaped by emerging forces and processes, economic and political, in the region. The new shaping forces are best described by what Peter Katzenstein and Takashi Shiraishi call "hybrid regionalism."<sup>18</sup> To Katzenstein and Shiraishi, East Asia has become a porous region, where new regionalization forces and especially non-state actors are heavily influencing government policies in the regional community building process.<sup>19</sup> As a result, the hybridization of regionalism and regionalization forces has made the boundaries of the region blurred, community building processes more fluid, and shifting influence of major powers in the region more pronounced.

**(1) Forces of Hybrid Regionalism.** The Asia Pacific regional architecture is shaped by powerful forces of hybrid regionalism, political and economic, in the region. Built on Katzenstein and Shiraishi's original concept, we can sort out hybrid regionalism in the Asia Pacific into three categories of forces: regionalism, trans-regionalism, and inter-regionalism. **Regionalism** is a geographically-focused multilateralism in a commonly accepted "political region." Regionalism is a course associated with the self-conscious pursuit of political

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<sup>16</sup> Amitav Acharya, *Regionalism and Multilateralism* (Singapore: Times Academic Press, 2002), p. 247.

<sup>17</sup> Hadi Soesastro, ed., *ASEAN in a Changed Regional and International Political Economy* (Jakarta: Centre for Strategic and International Studies, 1995), pp. iii-ix.

<sup>18</sup> Peter Katzenstein and Takashi Shiraishi, eds., *Beyond Japan: The Dynamics of East Asian Regionalism* (Cornell, N.Y.: Cornell University Press, 2006), p.2.

<sup>19</sup> *Ibid.*, pp.10-11.

cooperation, economic integration and a collective regional identity among its members. Multilateral arrangements and community building projects such as ASEAN and ASEAN+3 are good examples of the on-going East Asian regionalism. *Inter-regionalism*, on the other hand, refers to the institutionalized relations between different regions in the world. It often takes the form of formalized intergovernmental relations in economic and trade relationships across distinct regions, such as official ties between distinct free trade areas or customs unions.<sup>20</sup> As a new phenomenon in international relations, the format of inter-regionalism could be flexible and less formal. The Asia-Europe Meeting (ASEM) is a good example of inter-regionalism. ASEM, founded in 1996, has been the main multilateral channel for communication between Asia and Europe. It helps to strengthen interaction and mutual understanding between the two regions through multi-channel dialogues, without any formal treaty arrangement. It is useful facility as a new layer of development in an increasingly differentiated global order.<sup>21</sup>

*Trans-regionalism*, different from the above two forms of regionalism, describes the relationships among a broader set of actors (not simply those among states) in a region. The complex set of relationships across the region forms a network of formal and informal governmental arrangements, nongovernmental processes, and even corporate production chains. While inter-regionalism refers to cooperation among any type of actors across two or more regions, trans-regionalism delineates a transnational network of cooperation and interaction within a specific region. Although how inter-regionalism and trans-regionalism interact with each other is still under debate, the significance of trans-regionalism for regional governance is increasingly appreciated by scholars. According to Aggarwal, trans-regionalism is the links across a region no matter negotiation as a grouping occurs. APEC is an example of trans-regionalism.<sup>22</sup>

The Asia Pacific is a vast region. Geographically, the region could be divided into five sub-regions: Southeast Asia, Northeast Asia, Oceania, North America and South America. While East Asia is more geopolitically clear and limited term, the Asia Pacific is not. Politically, the concept of “Asia Pacific” dates back from the 1960s and 1970s when it was promoted by the United States, Australia, and Japan as a means of linking East Asia to the wider Pacific region.<sup>23</sup> Built on such a vast and loosely defined geopolitical concept, APEC must be considered as a trans-regional institutional architecture across several sub-regions in

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<sup>20</sup> Vinod Aggarwal, “Analyzing Institutional Transformation in the Asia-Pacific,” in Vinod K. Aggarwal and Charles E. Morrison, eds., *Asia-Pacific Cross-Roads. Regime Creation and the Future of APEC*, New York: St. Martin’s Press, 1998.

<sup>21</sup> See Jürgen Rüländ, Heiner Hänggi, Ralf Roloff, eds., *Interregionalism and International Relations: A Stepping Stone to Global Governance?* (New York and London: Routledge, 2008).

<sup>22</sup> Vinod K. Aggarwal, APEC and Trade Liberalization after Seattle: Transregionalism without a Cause? In Maria Weber, ed., *Reforming Economic Systems in Asia: A Comparative Analysis of China, Japan, South Korea, Malaysia and Thailand* (Cheltenham: Elgar, 2001).

<sup>23</sup> Derek McDougall, *Asia Pacific in World Politics* (Boulder, CO and London: Lynne Rienner Publishers, 2007), p.6. Also see Arif Dirlik, “The Asia-Pacific idea: Reality and Representation in the Invention of a Regional Structure,” in Arif Dirlik, ed., *What Is in a Rim? Critical Perspectives on the Pacific Region Idea* (Lanham and New York and Boulder: Rowman & Littlefield Publishers, 1998), pp.15-36.

the Pacific. As APEC works toward building a more equal balance between East Asia (Southeast plus Northeast Asia), North America, Oceania, and some Latin American economies of the Pacific Rim, the difficulty of such a task is enormous. Trans-regional institutional architecture is a product of the merger between different regional institutions in all sub-regions of the Asia Pacific region. If regional integration processes like ASEAN and ASEAN+3 can be regarded as regionalization in APEC's sub-regions, the notion of the institutional architecture incorporating APEC and ASEM can support the idea of building a more open and inclusive regional architecture in the Asia Pacific region. This kind of regional architecture would include the possibility for linking two or more regions and bring greater balance to the work of the future regional architecture.<sup>24</sup>

**(2) The Challenge of Regionalism and Trans-Regionalism.** The East Asian community building process has encountered some “bottle-neck” problems in the last few years, such as the vision, membership, and the leadership of the community. Yet, all of these problems have a lot to do with how an East Asia community should relate itself with the wider Asia Pacific region. In the other word, the East Asia community building process is a “wheel within wheels.” To a large extent, East Asian community building has changed the dynamics and nature of community building in the larger Asia Pacific region, and it is also affected by the dynamics in the larger Asia Pacific region. The challenge posed by East Asia regionalism for the larger Asia Pacific region is a contest of hybridization of regionalisms in Asia Pacific region-building.

Forging a common vision for East Asian community building among the region's states has become a major challenge, threatening to derail the process of emerging East Asian regionalism as well as the construction of regional architecture. Many East Asian states are divided as to what regional community means for them and what any future regional architecture should look like. At the heart of the problem are disparate opinions on what should constitute the basis for regional cooperation and integration. While some believe East Asia should build an Asian-only group based on the ASEAN+3 process, others think it should focus on a pan-Asian community embedded in the EAS design and still others wish to pursue a pan-Asian Pacific community using the APEC framework. The process of amalgamating these visions is further complicated by fast growing bilateral FTAs/economic partnership agreements, power rivalries, Washington's view of East Asian regionalism, and other regional arrangements, such as the Six Party Talks, that have the potential to evolve into a more regular security mechanism in Northeast Asia. The contest between the East Asian regionalism and Pan-Pacific regionalism will continue, and will be a key determinant for future regional architecture.

Despite strong dynamics and multiple region-building projects, many believe little progress has been made in terms of ensuring sustainable and coherent institutionalized regional architecture in East Asia. Various functional cooperative projects in the region have

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<sup>24</sup> Vinod K. Aggarwal and Min Gyo Koo, “Beyond Newtwork Power? The dynamics of formal economic integration in Northeast Asia,” *Pacific Review*, vol.18, no.2 (May 2005).

evolved smoothly in recent years, but this has not led to the formation of a widely agreed upon institutional architecture for the East Asian community. Unlike Europe, East Asia lacks a tradition of strong multilateral regional institutions. Thus, the region has a long way to go before it transforms its issue-based functional cooperation to a rule-based regional institution. Today, East Asian community building is based on soft and open regionalism. Regional cooperation mechanisms are still far too loose or informal when compared to those of Europe and North America and prospects for institutionalized community building remains fairly bleak. As the recent EAS and ASEAN+3 summits have indicated, East Asian leaders are still ambivalent as to the roadmap for a more coherent and institutionalized regional community. On the other side of the Pacific, North American leaders clearly prefer more “meaningful” institutionalized cooperation projects.

The membership of the community depends on how the “region” is defined. Yet it takes politics to determine who’s in and who’s out of the region. The political maneuvering of states in East Asia has led to some complications, such as the premature launch of the East Asian Summit in December 2005.<sup>25</sup> While the EAS gained widespread attention by including India, Australia, and New Zealand while excluding the United States, it is still lacking clearly defined objectives. Since EAS is held back-to-back with the annual ASEAN+3 summit, most people believe it simply creates a new layer in the regional dialogue structure. Such an overly simplistic view of EAS’s purpose, though, neglects one of the principal implications of its creation – the establishment of the EAS leaves the region with two overlapping tracks for institutional building: a narrow one based on the ASEAN+3 framework and a more expansive one based on EAS. The ASEAN+3 process, started in 1997, has developed a series of functional cooperation projects but is limited as long as China and Japan differ in their visions of East Asian regional community building. Under the shadow of the Sino-Japanese rivalry, for instance, the first EAS produced little tangible progress other than inaugurating and confirming a new pan-Asian dialogue platform within the ASEAN+3+3 framework.

To complicate things further, there have been overlapping institutions and arrangements and sometimes competitive mandates of different region-building projects in East Asia and the wider Asia Pacific region. After the end of the Cold War, regional economic cooperation was driven largely by trade liberalization and APEC-sponsored open regionalism, with an informal summit held annually. However, after the Asian Financial Crisis, the core ideas and institutional structure of APEC seemed out-dated given the fast pace development in contemporary Asia. Fortuitously, the rise of the ASEAN+3 process and trade bilateralism has created an alternative path to APEC-centered open regionalism and multilateralism in East Asia.<sup>26</sup> This alternate path has become the main driving force for regional community building in East Asia. Now there have been annual ASEAN+3 and East Asian Summit

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<sup>25</sup> According to the East Asian Study Group (EASG)’s recommendations to the ASEAN+3 leaders, holding an East Asian Summit was a long-term objective. See “Final Report of the East Asia Study Group” to the ASEAN+3 Summit, November 4, 2002, “Pursue the evolution of the ASEAN+3 Summit into an East Asian Summit,” p.50, the EASG report is available at <http://www.aseansec.org/viewpdf.asp?file=/pdf/easg.pdf>.

<sup>26</sup> For more discussion, see John Ravenhil, “The new bilateralism in the Asia Pacific,” in Kanishka Jayasuriya, ed., *Governing the Asia Pacific: Beyond the ‘New Regionalism’* (New York: Palgrave Macmillan, 2004), pp. 101–120.

meeting, separately from the APEC annual summit. Separate summits and dialogues have led to different structures with similar goals regarding regional community building and economic cooperation.

The emerging competitors in region building pose a challenge for the future relevance of APEC as well as a more general question of how to remap the Asia-Pacific region. The East Asian members of APEC have to decide how to proceed with institution-building in the East Asian region and the larger Asia-Pacific region. It will be an important issue for the both sides of the Pacific: should the community be for East Asian nations only, or should a trans-Pacific community be built? It is difficult even at this early stage to forge a common vision about the structure and goal of future regional institutions, but ASEAN+3 and the East Asian Summit have already offered more promise in addressing regional economic and governance issues in East Asia than APEC.

## **Implications for Building Regional Architecture**

The Asia Pacific region is at a crossroads for regional architecture building. On the one hand, it has an historic opportunity to reshape the region and regional architecture; but, on the other, it faces monumental challenges in terms of how to pursue the course of community building amid a proliferation of overlapping and sometimes competing region-building projects.

**(1) The Concept of Regional Architecture.** “Regional architecture” is a concept that needs to be distinguished from various community building projects. By introducing an architectural metaphor to the study of regional community building, we can have a better idea of what the region would look like in a longer term. The regional architectural viewpoint is not à la mode, rather, it is designed to provide a more structural and holistic view of regional community building and the major powers’ roles in it. Yet, regional architecture is a slippery concept. Strangely, it is often used as if its meaning is self-evident. While policy practitioners utilize it to refer to a vague regional structure or system of alliance, scholars typically use it interchangeably with terms like regional system, infrastructure, framework, and structure. Later in this chapter, I will offer a complex but concrete definition of regional architecture that, if used, will eliminate any confusion surrounding the meaning of the term.

In establishing what regional architecture is, it is important to clearly define what it is not. It is not, for instance, the same as a regional system. Within a regional system, states are linked by geographic proximity and other political, economic, and cultural traits. They are perceived as sharing common interests and in need of common regional architecture that prompt them to a particular degree of regularity and unique patterns of behavior in relating to each other. Some scholars use the term “regional system” to describe this set of linkages that produce strategic and other substantive forms of interactions central to intra-regional relations. According to David Lake and Patrick Morgan, using the regional system perspective allows for a fairly comprehensive analysis of the magnitude and pattern of the

structure, transaction costs, and regional externalities of different states' interactions with one another. Like the concept of regional security complex (RSC), regional system is a useful analytical concept for organizing inquiry into an overall view of regional organizational mechanisms.<sup>27</sup> When compared to the concept of regional system, regional architecture is still a loosely defined term.

One problem associated with defining the term “regional architecture” is the issue of different geopolitical boundaries and regional functional cooperation. For instance, we often hear terms such as the “East Asian regional architecture,” “Asian architecture,” or “Asian Pacific architecture.” Nobody, however, seems to know how to distinguish one from another. Does regional architecture mean a mix of mechanisms and arrangements or a single overarching regional institution? Should regional architecture be viewed more as a coherent structure for organizing the region or is it just a loose bundle of divergent regional arrangements collected together? How do we define the geographic boundaries of “East Asia” or “Asia Pacific” in a way that clarifies who can and can't be members of a particular organization? These questions will continue to be the focal point in the on debate issues of regionalism and regional community building in years to come.

Regional architecture refers to a reasonably coherent network of regional organizations, institutions, bilateral and multilateral arrangements, dialogue forums, and other relevant mechanisms that work collectively for regional prosperity, peace, and stability. In every region there are multiple and even competing projects and arrangements for community building. These projects and arrangements should be viewed as “building blocks” (sometimes, “stumbling blocks”) for the formation of regional architecture. If regional architecture is the “forest,” various community building projects and arrangements are “trees” in the forest. Take the European regional architecture as an example. A collective defense system (NATO) and highly institutionalized regional integration, anchored by the European Union (EU), have formed the core of the continent's regional architecture. Supplementing the institutional core is a network of bilateral and multilateral mechanisms, such as the Council of Europe, the Western European Union, and the Organization of Security and Cooperation in Europe (OSCE). Underlying the institutional arrangement is a sense of shared values, norms, and interests among regional states.

**(2) Pathways for Regional Architecture Building.** Professor Zhang Yunling, one of the leading Chinese scholars on Asian regionalism, argues that East Asian community building moves in a four-wheeled process. The first wheel is the ASEAN+3 process, which covers the entire area of East Asia. The second wheel is the ASEAN+1 process, that is, ASEAN's cooperation with China, Japan and Korea. The third wheel is the “plus 3”, i.e. cooperation between China, Japan and South Korea. Finally, the fourth wheel is the cooperation within ASEAN itself.<sup>28</sup> The movement of the four wheels simultaneously helps to “drive” forward regional community building. According to Zhang, during the initial stage

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<sup>27</sup> David A. Lake and Patrick M. Morgan, eds., *Regional Order: Building Security in a New World*, University Park, PA: Pennsylvania State University Press, 1997, p.13.

<sup>28</sup> Zhang Yunling, “East Asian Cooperation and Its Implication,” *Journal of Current Asia-Pacific Affairs*, vol. (2002), available at <http://iaps.cass.cn/english/articles/showcontent.asp?id=374>.

of East Asian institution building, it is necessary to allow and even encourage the development of multiple mechanisms. Based on this logic, it is important to incorporate various cooperative mechanisms into a framework and organizational setup for long-term cooperation and community building in the region. In East Asia, those who share Zhang's views are not in minority. Many regional leaders accept and make similar arguments when talking about community building. Nevertheless, it remains unclear whether this four-wheeled vehicle will be successful in constructing regional community or will make the process more difficult to manage.

The current community building process in East Asia presents the potential problem of "wheels within wheels." In the formation of regional architecture, the "wheels within wheels" situation may contain "multilayered plots" with intricate and hidden motions, and that could further increase the complexity of building a cohesive framework for regional cooperative arrangements. Various bilateral free trade arrangements are not necessarily "building blocks" for a more coherent regional FTA regime. At the regional and subregional level, East Asian states have formed various cooperation mechanisms through subregional projects, growth triangles and quadrangles, cross-border arrangements, and track-II forums. These mechanisms have created a multi-layered web of political and economic ties across the region.

Although still in its earliest stages, East Asian community building is already a quite complicated process. The complex structure of multilateral cooperation it features is what Paul Evans calls the "noodle bowl" effect. In his words, this "noodle bowl of Asian regionalism—ASEAN, ASEAN PMC, ARF, SAARC, SCO, APEC, PECC, CSCAP—is not quite as thick or rich as its spaghetti-bowl counterparts in Europe. But in a post-Cold War setting, the noodle bowl is filling quickly."<sup>29</sup> The "noodle bowl" or "spaghetti bowl" effect not only makes it difficult to create different arrangements, but also complicates the policies of the region's states as regards forging their posture on building regional architecture.

East Asian community building is under way in parallel with the broader institution building project in the Asia-Pacific region. Major powers (such as the U.S. and Japan) are concerned not only with the rising Chinese power, but also with what norms and principles the future East Asian community will subscribe and whether these norms and objectives are consistent with their standards. Such is the cause of Tokyo's strong advocacy for "principled multilateralism" in community building in recent years. Linking regional community building with democratic values, respects for human rights, good governance, and the rule of law could lead states to different targeted institutions.<sup>30</sup>

Multiple forms of community building are also the reflection of emerging redistribution of power or, more specifically, influence in the region after the Cold War. While the 1997

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<sup>29</sup> Cited from T. J. Pempel, ed., *Remapping East Asia: The Construction of a Region*, Ithaca and London: Cornell University Press, 2005, p. 14, and also see Paul Evans, "Between Regionalism and Regionalization: Policy Networks and the Nascent East Asian Institutional Identity," in Pempel, *ibid*, p. 195.

<sup>30</sup> See, for example, Yuki Fukuoka, "Community Building in East Asia: In Search of Common Values," *CECA Commentary*, September 12, 2007; and Kenichi Ito, "A Japanese Perspective of the Community Building in East Asia," *CECA Commentary*, August 16, 2004.

Asian financial crisis fully exposed the institutional problems and pitfalls of APEC and ASEAN, the rise of China and the resurgence of Japan simultaneously have changed the East Asian geopolitical structure in which East Asian regionalism is embedded. On the geostrategic front, although the U.S.-centered “hub-and-spokes” regional security architecture will remain and will continue to anchor the regional security order, Washington is no longer in the position to manage the course of change in intra-regional political and economic relations. Although East Asian states do not seek to challenge U.S. predominance in the military sphere, they do intend to form platforms for regional cooperation in order to advance their common interests without Washington’s involvement or endorsement.<sup>31</sup> The rise of China, on the basis of its “soft power” and economic clout, does pose a challenge, in different dimensions, to the United States’ dominant position in East Asia and has become a powerful factor shaping the construction of regional architecture.<sup>32</sup>

**(3) The Role of the United States.** Most people agree that while the US is no longer in a decisive position to shape East Asian regional integration after September 11, 2001, China and Japan are the two major candidates with the potential to shape change in the region.<sup>33</sup> While the 1997 Asian financial crisis fully exposed the institutional problems and pitfalls of APEC and ASEAN, the rise of China and the resurgence of Japan simultaneously have basically changed the East Asia geopolitical structure where East Asian regionalism is embedded. On the geostrategic front, although the US-centered “hub-and-spokes” regional security architecture will remain and will continue to anchor the regional security order, Washington is no longer in the position to manage the course of change in intra-regional political and economic relations. Although East Asian states do not seek to challenge US predominance in the military sphere, they do intend to form platforms for regional cooperation in order to advance their common interests without Washington’s involvement or endorsement.<sup>34</sup> The rise of China, on the basis of its “soft power” and economic clout, does pose a challenge, in different dimensions, to the United States’ dominant position in East Asia.<sup>35</sup> Thus, the traditional balance of power no longer characterizes the dynamics of the relations between the big powers and the small states in the region. A balance of influence, instead, has been redefining rules of the game in East Asian regionalism, and that has a great impact on forging a common vision of East Asian regionalism.

The future course of East Asian regionalism will be full of twists and turns. The future success of regionalism should not only be measured by its degree of institutionalization and regional identity formation, but also by how well it would accommodate power rivalry within the system. The neighborly community in East Asia, quite different from those seen in

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<sup>31</sup> G. John Ikenberry, “American hegemony and East Asian order,” *Australian Journal of International Affairs*, 58, 3, September 2004.

<sup>32</sup> Wang Yuankang, ‘China’s grand strategy and U.S. primacy: is China balancing American power?’ Washington, D.C.: Brookings Institution, the CNEAP Fellow Paper (July 2006).

<sup>33</sup> See, for example, Richard J. Samuels, ‘Japan’s Goldilocks strategy,’ *Washington Quarterly*, 29, 4, Autumn 2006; and John H. Miller, ‘The reluctant Asianist: Japan and Asia,’ *Asian Affairs: An American Review*, 31, 4, summer 2004.

<sup>34</sup> G. John Ikenberry, “American hegemony and East Asian order,” *Australian Journal of International Affairs*, 58, 3, September 2004.

<sup>35</sup> Wang Yuankang, ‘China’s grand strategy and U.S. primacy: is China balancing American power?’ Washington, D.C.: Brookings Institution, the CNEAP Fellow Paper (July 2006).

Europe and North America, has a relatively low degree of institutionalization. Miles Kahler suggests that the diversity of legal systems in East Asia prohibits a more legalized framework of Asian regional institutions.<sup>36</sup> Although there have been various programs and activities to institutionalize regional cooperation, East Asian states have not translated them into legally binding treaties and regulations, and they are even still far from having a shared vision of acting in unison.<sup>37</sup> Regional identity requires cultural as well as normative elements to be shared by all states. As some scholars point out, the driving force behind East Asian regionalism is nationalism. Compared with European regionalism, the East Asian version lacks a convincing and acceptable normative framework for regional institutionalization.<sup>38</sup> The further growth of Asian regional institutional building will be constrained by East Asian countries' persistent concerns regarding erosion of their national sovereignty. It would be difficult for these states to give up their sovereignty for a regional order and a supranational structure which looks after regional security. Moreover, regional cooperation and community building is not just about free trade, exchanges of goods and services, or security dialogue. In the EU case, a common ideology and shared concepts of democracy, human rights, individual freedoms, and the rule of law constitute the normative foundation of its regionalism and regional institutions.

The strategic, political, and economic interactions in East Asia defy simple description. Looking at future challenges to regionalism, we must consider how major power rivalry can be accommodated in the community building process. While Washington's pursuit of strategic influence in the western Pacific was a key exogenous factor in the growth of the regional economy and alliance formation during the Cold War,<sup>39</sup> the end of the Cold War has seen the United States having continuous difficulty in forming a consistent East Asian strategy. Washington's "friendly ignorance" of the regional integration process and its strategic distractions to other regions after September 11 have created new strategic opportunities for East Asian states to cultivate intra-regional community building. The US remains vital for the region's security and stability, but Washington has become less capable of forcing "regime change" in East Asia, and often has to rely on collective actions to resolve regional problems.<sup>40</sup> Thus, the policy orientation of the US in the post-Cold War era has left space wide open for East Asian states to initiate more inward-looking regional activities among themselves without upsetting US dominance in the security field. Washington's Asia policy has often prompted East Asian states to lessen their differences and enhance regional welfare by themselves. But, while Washington is somewhat detaching itself from East Asian regionalism, the rising Sino-Japanese competition in East Asia is increasingly a force that could derail the future course of East Asian regionalism. How to manage the competition

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<sup>36</sup> Miles Kahler, 'Legalization as strategy: the Asia-Pacific case,' *International Organization*, 54, 3, Summer 2000, p. 561.

<sup>37</sup> Tahashi Terada, 'Constructing an "East Asia" concept and growing regional identity: from EAEC to ASEAN+3,' *Pacific Review*, 16, 2, 2003.

<sup>38</sup> See, for example, Baogang He, 'East Asian ideas of regionalism: a normative critique,' *Australian Journal of International Affairs*, 58, 1, 2004, pp. 105–25.

<sup>39</sup> Yuen Foon Khong, 'The United States and East Asia: challenge to the balance of power,' in Ngaire Woods, ed.) *Explaining International Relations Since 1945* (Oxford: Oxford University Press, 1996), pp. 179–96.

<sup>40</sup> John Ikenberry and Michael Mastanduno, eds., *International Relations Theory and the Asia Pacific* (New York, N.Y.: Columbia University Press, 2003) offers some very good discussions on the US role in the region in the post-Cold War era.

between these two rising powers in regional cooperation is an issue that has direct impact on the common vision of regionalism.

**(4) The Sino-Japanese Power Rivalry.** The end of the Cold War in many ways threw China and Japan back into the complexities of the regional geostrategic rivalry that existed before the Second World War. The most significant post-Cold War change in the East Asian geo-strategic landscape is the rise of China and a corresponding relative decline of Japan. The “rise of China” and the decline of Japan are perceived to be relative to one another. The image of Japan on the decline since the end of the Cold War largely stems from the loss in momentum of economic growth when Japan’s bubble economy collapsed in the early 1990s. As a result of the changing balance of power between the two countries, both Beijing and Tokyo face the same challenge of how to respond to their changing relative positions in the regional geopolitical and geoeconomic setting in the post-Cold War era. In response to concerns over the growing “China threat,” Beijing found defensive rhetoric was ineffective. In order to assure other countries, especially its Asian neighbors, of its peaceful intentions in foreign policy, the Chinese leaders decided to take a more sophisticated, friendly and soft approach, bilateral and multilateral, to its Asian neighbors by providing economic aid, by participating in multilateral forums, and by declining to press its territorial claims and enhancing mutual trust. These measures and a “peaceful rising” posture in some way have helped China to expand its strategic space in East Asia.

As for Japan, since no East Asian states, including China, South Korea, and Southeast Asia, would welcome a more assertive Japanese role in shaping the regional order, as seen in the Greater East Asian Co-Prosperty Sphere of the 1930s, Tokyo considered the consolidation of the Japan-US alliance as the foundation of its Asian policy. Yet Japan increasingly feels the pressure from China when Beijing intensified its reaching out efforts to other East Asian states. Against this background, both China and Japan felt compelled to woo Southeast Asian states to their side and both strove to be included in any regional networking initiative. By participating in the community building, they can at least try to shape the course of change in the region in their own interests and according to their own designs. For ASEAN states to avoid becoming a victim of Sino-Japanese rivalry in East Asia, they found they must take the initiative to socialize China and Japan through the ASEAN way of diplomacy, and put themselves in the driver’s seat of East Asian community building.<sup>41</sup>

Today’s Sino-Japanese rivalry is not exactly the same as that of more traditional power competition in the nineteenth and twentieth centuries. Instead of a traditional balance of power, Sino-Japanese rivalry is more about a “balance of influence” in the regional arena. Both want to expand their influence, not their military power, to Southeast Asia. They compete intensely for future regional leadership, but neither of them can afford to upset regional stability for the fear of losing ASEAN’s support. On the one hand, both China and Japan have tried to enlist ASEAN’s support against the background of increasing tensions in their bilateral relations. On the other hand, both powers want to use the regional multilateral

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<sup>41</sup>Jeannie Henderson, *Reassessing ASEAN*, Adelphi Paper No. 328, London: International Institute for Strategic Studies, 1999.

diplomatic platform to hedge against each other's influence in the region. The US–Japan alliance helps to prolong Sino-Japanese rivalry, as it makes it difficult, if not impossible, for either China or Japan to become the regional hegemon in East Asia. It also prevents China and Japan from exercising joint leadership in the region. Thus the most likely course of regional diplomacy and community building that can bring the two giants together will continue to be the ASEAN+3 process. Against this backdrop Sino-Japanese rivalry is more about a subtle balance of influence in the region, rather than traditional struggle for regional hegemonic dominance. Rivalry of this nature, instead of disrupting regional cooperation, will likely allow East Asian states to continue living in peace and building a neighborly community.

From the 1970s to the mid-1990s, Japan enjoyed a *de facto* leadership role in the East Asian region mainly through its economic strength. Japan's growing economy and massive foreign direct investment in the region became the invisible hand in regional economic integration. However, with China's increasingly visible status in the region since the mid-1990s, Beijing has become a more significant driving force for regional economic integration, and this has made Tokyo rethink its role in East Asia. Before that, Japan's regional thinking was anchored more in the Asia–Pacific framework, rather than a grouping of only East Asian countries. The rise of China and its growing influence in regionalization have compelled Tokyo to be more positive about joining an East Asian community, and to face the challenge of a future Chinese leadership role in the region. However, the structural nature of Sino-Japanese rivalry implies that the prospect of joint leadership for deeper economic integration in East Asia is quite unlikely at least for the foreseeable future. In regional community building, ASEAN states have thus become targets for Beijing and Tokyo to win over to their respective sides. Against the background of their continuing political difficulties, China and Japan have each quickened the pace of their engagement with ASEAN. Neither Beijing nor Tokyo would allow difficulties in their bilateral diplomacy to affect their engagement with ASEAN. Both have found ASEAN a necessary odium for promoting regional community building and contending for a future leadership role. In the process, the various institutional mechanisms centered on the ASEAN way of diplomacy have served as an alternative means for China and Japan to pursue the pragmatic aspect of their bilateral diplomacy. As ASEAN has taken the liberty to lead the multilateral community building process, it has increasingly become a key stakeholder in Chinese and Japanese designs for the regional community.

Given its strengths such as the culture of informality, consensus building and open regionalism, based on the ASEAN+3 process,<sup>42</sup> the ASEAN-ized way of regionalism should play a facilitating role in accommodating power rivalry in the region. As the ASEAN+3 process relies on consultation and consensus building to achieve cooperation, closeness and openness with each other to whatever degree is comfortable, this distinct culture helps to lessen East Asian states' concerns and unwillingness to transfer sovereignty to regional institutions when the degree of institutionalization is on rise. The ASEAN consultation culture also proved positive in easing and accommodating power competition between China

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<sup>42</sup> See Etel Solingen, 'East Asian regional institutions: characteristics, sources, distinctiveness,' in Pempel, *Remapping East Asia*, pp. 32–38.

and Japan. It is so far the best possible mechanism to coordinate interactions within the region. To be sure, the ASEAN+3 process has not and will not overcome Sino-Japanese bilateral disputes, but it can add a layer of precaution for both countries when they think about escalating these disputes. It is not in their interest to have their bilateral problems get out of control. Although ASEAN as a group has not taken up lessening Sino-Japanese rivalry as a key mission, individual ASEAN state leaders have on various occasions made public their preference for an improvement in Sino-Japanese relations. In that sense, the ASEAN-ized regional community building process would hold China and Japan together in a long-term process of regionalism, though the prospect of East Asia reaching the level of EU institutionalism is still quite remote.

## **Whither Asia Pacific Community Building: Is APEC still Useful?**

APEC will celebrate its twentieth birthday in 2009. Yet, to many people, APEC's "good old days" have passed and is facing an uncertain future in years to come. APEC has lost its momentum and even relevance to the on-going regionalism in the Asia-Pacific region. For the last two decades, the regional organization has been unsuccessful in attaining some of its ambitious goals such as regional trade liberalization and building a Pacific community. It is now facing a challenge of how to remain relevant in the future Asia-Pacific regional architecture. Its relevance could be jeopardized by its hollow dialogue agendas as well as a growing number of regional community building projects in the Asia-Pacific region.

**(1) APEC's role in regional community building.** There is no doubt that APEC is a useful platform for bilateral and multilateral meetings among regional leaders, and, as the only forum for trans-Pacific dialogues, it is important for stability and prosperity in the Asia Pacific. But besides that, how can APEC contribute to regional institutional building in future? How will it be related to the emerging regional architecture in the Asia Pacific? This article addresses this issue through analyzing its role and weakness in regional community building, the shaping forces for future regional architecture, challenges APEC is facing in the competitive environment of region building, and what possible roles APEC could play in the construction of the regional architecture in the Asia Pacific.

Established in 1989, the APEC was designed to promote sustainable economic growth and to strengthen the multilateral trade system through a commitment to open trade, investment and economic reforms among its member economies. APEC's membership has grown from original 12 in 1989 to 21 member economies at the present time. The 21 member economies, spanning four continents, account for almost 50% of the world's population, 60 % of global GDP and 50% of international trade. As the most economically dynamic area in the world, the Asia-Pacific region has increasingly become the center of gravity in world economy.

APEC's role in regional community building can be seen in institutional capacity building, regional confidence-building process, and open regionalism. First, the Asia-Pacific region, in contrast to the European Union and NAFTA, did not have any region-wide

multilateral framework for cooperative dialogues before APEC. In such an economically dynamic region, all Asia-Pacific economies have strong interests in establishing a rules-based multilateral trading regime. The multilateral mechanism could be instrumental for regional trade as well as complementary to the GATT/WTO general trading system. Most East Asian countries are export-oriented economies, and have managed to achieve unprecedented prosperity through free trade and investment. Nondiscriminatory rules for international trade and investment is essential for their economic success. A global and regional trade system that sanctions selective trade discrimination would have made it impossible for them to benefit from regional trade and global economy. APEC, the first such a forum in the region, is able to promote trade liberalization through the commitment to free trade and investment.

Yet, cooperation over diversity is a daunting task. The Asia-Pacific region is such a vast and diverse area, with its economies differ substantially in terms of population, culture, political systems, economic development and income level, natural resource endowment, and trade policies. The diversity creates enormous problems in finding the common denominators for cooperation. APEC is an innovative and flexible form of regional cooperation designed to accommodate the diversity of the regional economies. The original goal of promoting dialogues and cooperation is a relatively conservative one—to preserve the conditions needed for sustaining the positive trends of rising prosperity and regional integration. So APEC, harnessing the energy of diverse economies, has been successful in facilitating trade liberalization on the basis of what Robert Scalapino calls “natural economic territories (NET).”<sup>43</sup> It serves the regional prosperity with state-sanctioned, more rules-based inter-state cooperation by focusing on a common goal and gateway to regional economic cooperation.<sup>44</sup> Since its establishment, APEC leaders, ministerial, official, and business group meetings have become the premier forum for facilitating economic growth, cooperation, trade and investment in the Asia-Pacific region. It is a remarkable achievement to see such a trans-Pacific forum promoting economic cooperation within such a vast and diverse region.

Second, APEC provides a good platform for confidence building measures (CBM) in the Asia Pacific. Influenced by the process and modalities of ASEAN, CBMs were introduced into APEC in political and strategic cooperation. CBMs are promoted by regional fora like ASEAN and ASEAN Regional Forum (ARF). But APEC is first and foremost regional project in community building in the Asia Pacific. It has helped to bring major powers together in a common platform to dialogue on regional political and economic issues. It has played the role of sustaining Washington’s continuous interest and attention to Asia, and has provided for a regional structure which could accommodate China’s participation in regional cooperation. APEC not just serves as an effective means to counter any inward-looking

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<sup>43</sup> Robert A. Scalapino, “The United States and Asia: Future Prospects,” *Foreign Affairs*, Winter 1991/92.

<sup>44</sup> See APEC Seoul Declaration, November 14, 1991. It spells out the objectives, scope of activity, mode of operation, and organization of APEC.

tendencies on the part of the European Union and other regional organizations, and it has also become a platform from which the region could effectively respond to priority issues.<sup>45</sup>

Third, APEC has promoted region building in the Asia Pacific based on the idea of “open regionalism.” The 1994 APEC Eminent Persons Group Report articulates the concept of open regionalism in trade and economic relations. As the first step of region building, the progressive development of a community of Asia Pacific economies should be built on free and open trade and investment. The idea of open regionalism is to treat regional community building as a process, not just result, of regional cooperation. In trade and investment, the outcome of open regionalism is not only the actual reduction of intra-regional barriers to economic interaction but also the actual reduction of external barriers to economies not part of the region. APEC members should continue to work for global liberalization under GATT/WTO through nonmutually exclusive elements in regional liberalization programs.<sup>46</sup> Its members would not adopt any discriminative measures against non-APEC economies, and continue to make efforts to strengthen the global trade system.

The political dimension of open regionalism, on the other hand, emphasizes on what is called “concerted unilateral mode of decision making.”<sup>47</sup> APEC is a regime of voluntary cooperation and there is no “APEC decisions” as such. All policy decisions are based on the convergence of members’ approaches to a wide range of policy issues upon consultation. Thus, all liberalization decisions are unilateral or autonomous ones of individual governments. This modality of decision making is heavily influenced by the ‘ASEAN Way’ of consultation.<sup>48</sup> This “APEC Way” helps to forge APEC’s collective stance on various issues in world affairs. The consultation process is also helpful to retain the continuous political and economic linkages between East Asia and North America, especially in securing the U.S. strategic engagement in East Asia. After the end of the Cold War, the East Asian strategic landscape experienced a fundamental reconfiguration. With the rise of China and the resurging Japan, the post-war U.S. hub-and-spokes alliance system is under pressure of change. In the Asia Pacific region, no single country, including the United States, Japan, and China, could be the clear leader for regional politics and economic affairs. The challenge for regional states is to find a way forward on substantive regional community building involving all major powers without opening potential political fissures.

During the Clinton Administration, APEC leaders reached an important agreement in the 1993 Seattle Summit on building a Pacific community. The leaders agreed that, built on the open multilateral trading system, APEC members should cultivate the sense of community among regional countries. The Pacific community (without a capital “C” as in the EU)

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<sup>45</sup> Jusuf Wanandi, “APEC and Other Regional Organizations,” in *Indonesian Perspectives on APEC and Regional Co-operation in Asia Pacific*, (Jakarta: Centre for Strategic and International Studies, 1994), pp.30-36.

<sup>46</sup> Eminent Persons Group Report, “Achieving the APEC Vision: Free and Open Trade in the Asia Pacific,” August 1994.

<sup>47</sup> Peter Drysdale and Andrew Elek, “APEC: Community-Building in East Asia and the Pacific,” in Donald C. Hellmann and Kenneth B. Pyle, eds., *From APEC to Xanadu: Creating a Viable Community in the Post-War Pacific* (Armonk: M.E. Sharpe, 1997), pp.50-51.

<sup>48</sup> See Yoichi Funabashi, “The APEC Way,” chapter 8 in the author’s book, *Asia Pacific Fusion: Japan’s Role in APEC* (Washington: Institute for International Economics, 1995), pp. 133-150.

should be “a new voice for the Asia Pacific in world affairs,” and “be committed to deepening our spirit of community based on our shared vision of achieving stability, security, and prosperity for our people.”<sup>49</sup> The community is a “softer”, family-type relationship based on what could be characterized as five “S”: sense of *solidarity*, *supporting* each other, *strengthening* the group, *sharing* of a common destiny, and jointly *shaping* the region.<sup>50</sup> Given such a vast and diverse region, APEC members could have little in common, but it is their shared interest and vision that bring them together. For the East Asian members, one of their major motivations in support of APEC is to keep Washington engaged in the region. For the United States, it has strong interest in getting involved in the community building process to avoid being left out from any major changes in East Asia. In that sense, APEC could help to forge a strong East Asia-U.S. linkage. If Washington was “excluded” from East Asian development, that would lead to a hole in the American hub-and-spokes alliance system in the Asia Pacific. It is detrimental to the American strategic interest to see that an East Asian community is being built at the expense of trans-Pacific geopolitical and economic ties.

**(2) APEC’s Limitations and Prospects.** APEC now is in a drifting course searching for a new direction and its relevance in regional community building, and if not carefully managed, it may slip into terminal irrelevance. The rise and decline of the organization over last two decades have been attributed to APEC’s two core ideas—“open regionalism” and “soft institutionalism”—which are considered as the underlying principles for its foundation and operation.

The concept of “soft institutionalism” delineates an “informal intergovernmental process” to promote economic cooperation. As a consultative forum, APEC does not engage in WTO-type of negotiations in reducing and eliminating barriers to trade and investment. APEC’s programs for liberalization are voluntary and decisions are non-binding. Unlike the EU model of “pooled sovereignty”, APEC members still have strong political will to retain their economic sovereignty and are not ready to participate in a regional process that gradually transfer sovereignty to any super-national body for regulating trade and economic relations. They prefer the way of pooling their voluntary unilateral measures together in the process of trade liberalization. Driven by pragmatic consideration, APEC cooperation programs often takes place on ad hoc basis, and trade liberalization measures tend to be what Fred Bergsten calls “low-quality” deals.<sup>51</sup>

APEC has attracted attention because of its annual leaders meeting. But in recent years, the discussion at the annual summit has become more broad and less relevant to its original goals. Each year APEC leaders gather together to discuss on priority issues facing the region. As an APEC tradition, it is the meeting host country’s responsibility to come up with a theme for each year’s annual gathering. Every year host countries have scrambled to find

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<sup>49</sup> APEC Leaders Economic Vision Statement, Blake Island, Seattle, November 20, 1993.

<sup>50</sup> Hadi Soesastro, “APEC’s Overall Goals and Objectives, Evolution, and Current Status,” in Richard E. Feinberg, ed., *APEC as an Institution: Multilateral Governance in the Asia-Pacific* (Singapore: Institute of Southeast Asian Studies, p.34.

<sup>51</sup> C. Fred Bergsten, “Toward a Free Trade Area of the Asia Pacific,” Policy Brief PB07-2 (Washington, DC: Peterson Institute of International Economics, February 2007), p.7.

some new ideas, programs, and slogans that can associate their names with the summit declarations (such as the Busan Declaration or Manila Action Plan). These declarations or “announceables” are perceived as the best justification for the continuous existence of the APEC forum. However, how APEC meetings can come up with more “deliverables” than “annouceables” is a bigger challenge. People not just expect APEC leaders to deliberate on relevant issues, but also anticipate them to actually deliver in future regional governance and institutional building. It is true that in the years following the Asian Financial Crisis (AFC) the APEC leaders’ meetings have become more symbolic than substantive. But if APEC does not want to be seen as an annual parade of leaders in local outfit and a “photo opportunity,” its current organization, agenda, and objectives must be transformed.

The open regionalism and soft institutionalism have also caused problems with APEC’s membership, agenda, and institutional structure. First, APEC’s original membership structure, reflecting strong trans-Pacific political-economic ties, was centered on a link between East Asia and North America. But after the mid-1990s APEC’s membership was extended beyond the East Asian-North American axis by admitting Russia, Mexico, Chile, Peru, and Papua New Guinea to the organization. As the number of members increased to cover the vast Pacific Rim area, the internal cohesion began to decrease and the focus of interest was diluted. Of course, “widening” membership always comes at the expense of “deepening” cooperation. With more members, it is more difficult to reach consensus on what is desirable for the future. At the same time that the organization was losing its focus, Washington’s leadership role was waning as its strategic concentration began to wander after September 11, 2001.

Second, APEC’s geographic drift is complemented by more wide-ranging and diffuse topics. In the 1990s, APEC was relatively focused on trade liberalization. The 1993 Seattle summit and the following summit in Bogor created a strong momentum for working on the region-wide trade liberalization target by 2010 and 2020. But the growing tension between the interests of “Western” and “Eastern” members and the Asian financial crisis eventually derailed the process of the “early voluntary sectoral liberalization” (EVSL) program in 1998. Since then APEC has been characterized by the strange combination of a loss of direction and mission creep. Every year host governments try to come up with some eye-catching slogans for the summit, while substantive trade liberalization measures are removed from the agenda. In recent years, topics for APEC leaders meeting include cross-cultural communication, shoulder-mounted missile launchers, energy security, and climate change. The annual leaders meeting has become inversely related to its original goals of trade liberalization in the Asia-Pacific. There are more competitive initiative-launching and more “announceables” in the annual gathering than there are substantive measures.

Third, APEC also suffers from “soft institutionalism” and an inadequate institutional foundation. The core idea of APEC’s “soft institutionalism” is that members’ actions or statements are to be strictly voluntary or self-imposed, without any central enforcement mechanism. In the early years, this might have worked when the WTO multilateral negotiations ran into trouble and APEC could serve as a regional engine for trade liberalization. But it failed the effectiveness test when regional crises like the AFC and the 9/11 attacks occurred. Furthermore, the APEC secretariat, with an annual budget of just a

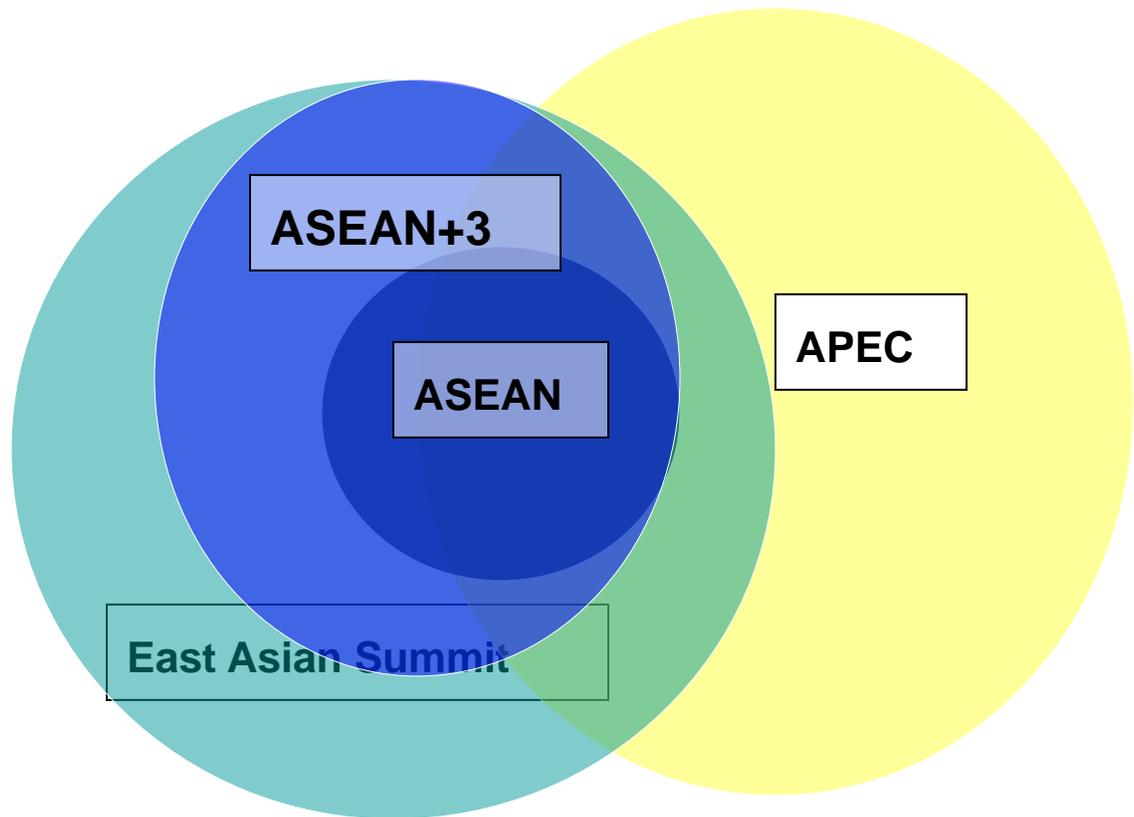
few million dollars and a staff of only several dozen, can provide no more than meeting services. APEC was formed with the idea of serving as the Pacific's OECD, but it does not have an OECD-type of independent research and evaluation ability, not to mention policy formulation and recommendation functions. This weakening of APEC should be of major concern to all its member economies.

The more important challenge for APEC, however, is from forces of regionalism and trans-regionalism in the Asia Pacific. The rising tide of East Asian regionalism is a challenge from both external and within. The "East-West divide" within APEC has existed since its foundation. In the 1990s, APEC's Asian members were more interested in development and technology cooperation, while Western members perceived it more as a vehicle for promoting trade liberalization. Domestic politics and rising nationalism also suggested that there were different and competing priorities between the "East" and "West" within APEC. The failure of the EVSL and American indifference toward the AFC, however, dramatically reduced enthusiasm for using APEC as a trade negotiation platform. On one hand, it prompted East Asian members to turn to bilateral and Asian-only multilateralism on trade and investment issues. On the other hand, Washington, which originally saw the utility in using APEC as a tool for trade liberalization during the Clinton Administration, began to shift its attention to the Global War on Terror after September 11, 2001. This was a major blow to APEC's original goal and dialogue agenda of promoting sustainable growth. Searching for its relevance in future regionalism has become a serious challenge for the forum.

## **Finding an Institutional Equilibrium in the Asia Pacific Region**

Entering the 21<sup>st</sup> century, finding an institutional equilibrium in the construction of regional architecture is a big challenge for Asia Pacific countries. The challenge is a multi-leveled and multi-dimensioned one. It involves the difficulty of region community building and how to remap regions. A growing number of East Asian countries are pursuing greater institutionalization at the regional and sub-regional level, actively weaving a web of preferential arrangements. The pace of East Asian regionalism and community building has clearly picked up in recent years. Under the ASEAN+3 framework, regional states have launched an array of diplomatic initiatives and functional cooperation projects on trade, finance, energy, public health, human resources, tourism, and trans-border crime to advance regional community building. These intergovernmental projects were also complemented by a variety of Track 2 and Track 1.5 activities across the region, such as the Network of East Asian Think-tanks (NEAT) and the East Asian Forum (EAF). By launching the East Asian Summit in December 2005, East Asian countries created a new "layer" in the regional dialogue structure, extending to include Australia, New Zealand, and India. Nevertheless, the EAS leaves the Asia Pacific region with three overlapping circles for institutional building: a narrow one based on the ASEAN+3 framework at the center, an enlarged one set on EAS, and a more expanded circle around the Pacific Rim.

## Overlapping Regional Groupings



**(1) Challenge and Opportunity in Building Regional Architecture.** The multi-layered structure of Asia Pacific community building processes is both a challenge and an opportunity for future regional architecture. The ASEAN+3 process, started in 1997, has developed a series of functional cooperation projects but its potential is limited if China and Japan cannot be on the same page of regional community building. Under the shadow of Sino-Japanese rivalry, for instance, the first EAS was created but produced little concrete progress other than inaugurating and confirming a new pan-Asian dialogue platform within the ASEAN+3+3 framework. To complicate the issue further, all these developments were unfolding in parallel with the Asian Pacific community building based on APEC. After the end of the Cold War, regional economic cooperation was largely driven by trade liberalization and APEC-sponsored open regionalism, with an informal annual summit held separately from the ASEAN+3 and EAS. However, after the Asian Financial Crisis, the core ideas and institutional structure based on APEC seemed to become less appropriate. The rise of the ASEAN+3 process and trade bilateralism has created an alternative path to the APEC-centered open regionalism and multilateralism in East Asia.<sup>52</sup> The rise of the

<sup>52</sup> For more discussion, see John Ravenhil, "The new bilateralism in the Asia Pacific," in Kanishka Jayasuriya,

ASEAN+3 process and fast growing trade bilateralism has become the main driving force for regional community building in East Asia.

Multiple region-building projects could be both conducive and detrimental for building a reasonably coherent regional architecture in the Asia Pacific. Multiple and sometimes competitive projects reflect dynamics of regional community building as well as competition for “soft power” among regional major and medium powers. Regional players all want to place themselves in favorable positions in regional institutions. The competitiveness of various proposals for regional institutions would reduce, not enhance, the cohesion of future regional architecture.<sup>53</sup> Moreover, competitive region-building projects are likely to lead to the problem of multilateralism à la carte in regional community building. Specifically, more powerful players always seek to “promote a world populated by a large number of overlapping and sometimes competitive international institutions,” a system of what Francis Fukuyama calls multi-multilateralism. In his reasoning, international action today can be legitimate or effective, but rarely both. The solution is to create “multi-multilateralism.”<sup>54</sup> Major powers might better use “overlapping and sometimes competitive international institutions,” instead of putting all eggs in a single basket. If that is the case in East Asia, we would inhabit a world of “multi-multilateralism,” which includes numerous overlapping multilateral regimes, sometimes with conflicting mandates. Unlike regional community building in Europe, these multiple arrangements would not have the right configuration of players and mandates, causing more problems for regional architecture and leading major powers to practice “forum shopping.”

Forging a common vision for the Asian Pacific regional architecture is a major challenge for Asia Pacific countries. Across the Pacific and even among East Asian states, countries are divided on what regional architecture means for them and what future regional architecture should look like. At the heart of the problem are the different views on what constitutes the basis for regional cooperation and integration. They also have different views on whether East Asia should build an Asian-only grouping based on the ASEAN+3 process, or it should focus on a pan-Asian community embedded in the EAS design, or it should pursue a pan-Asian Pacific community erected in the APEC framework. The vision problem is further complicated by fast growing bilateral FTAs/economic partnership agreements, power rivalry, Washington’s posture, as well as other regional arrangements such as the Six Party Talks that have the potential to evolve into a more regular security mechanism.

APEC’s reputation is sagging but it will hang on as all international organizations have robust instincts for self-preservation. Asia Pacific leaders must address the problems arising from its membership, institutional structure, modalities of decision making, and leadership as the forum works to redefine its relevance for the future regional architecture. APEC’s early

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ed., *Governing the Asia Pacific: Beyond the ‘New Regionalism’* (New York: Palgrave Macmillan, 2004), pp. 101–120.

<sup>53</sup> The latest regional architectural proposal came from Australian Prime Minister Kevin Rudd. See his speech at the Asia Society AustralAsia Centre, Sydney, “It’s Time to Build an Asia Pacific Community,” June 4, 2008. In the speech, he proposed to develop a “genuine and comprehensive” community for the Asia Pacific region.

<sup>54</sup> Francis Fukuyama, “The Paradox of International Action,” *The American Interest*, volume 1, no.3 (Spring 2006).

objective of negotiations on intra-APEC trade liberalization has proved to be too ambitious, and most members now prefer bilateral and subregional trade arrangements or multilateralism under the WTO structure. As we see the establishment of more and more bilateral and subregional preferential trading arrangements (PTAs), the chances of launching negotiations on the Free Trade Agreement of the Asia-Pacific (FTAAP) within APEC will diminish, and may become impossible.

Even if APEC cannot serve as a negotiation platform for regional trade liberalization, it does not mean it has lost all chance of promoting free trade in the Asia-Pacific. APEC should use its collective weight to continue pushing the WTO Doha Round of multilateral trade negotiation forward. APEC can still provide some basic functions for business and trade facilitation, can encourage measures to make investment more convenient, can provide technical and development assistance, and can foster socialization, in addition to playing its role as an important meeting venue for regional leaders. These low-profile, business facilitation functions actually serve the region well by producing a higher degree of economic coherence among member economies.

In Asia Pacific community building, different initiatives and projects must find their “market niche” in the future regional architecture. Looking into future, APEC could be one of several Asia-Pacific regional fora. How to define its future role in an appropriate division of labor with other regional arrangements and organizations is an issue that requires a forward-looking answer. For instance, ASEAN+3, EAS, and APEC could readjust their agendas and initiative-conscious activities among themselves. There should be redistribution of labor and activities between Asia Pacific and other East Asian fora and mechanisms. The “rationalization” of this kind would not be easy and may take time to occur. But the benefit is obvious. At least it could avoid “meeting fatigues” for regional leaders.

**(2) What Will Future Regional Architecture Look Like?** In building future regional architecture, will the European experience be replicated in the Asia Pacific? What will the future Asia Pacific regional architecture look like? How does the region accommodate different projects in regional architecture building? Regional institutional architecture may be designed by “architects,” whether they are national governments or supra-national organizations, in a “top-down” approach, and that such design often occurs after major wars. John Ikenberry argues in his book *After Victory* that leading powers have opted to establish constitutional institutions after major wars to build order and to “lock in” their favourable postwar positions.<sup>55</sup> History, however, has also taught us that regional architecture is not always designed or intentionally built by “architects.” Rather, it often emerges in a “natural” way, growing out of a reasonably coherent and dense infrastructure of institutions and mechanisms in a region. These different institutional components and structures may grow in parallel and co-exist, constellating and mutually supporting one another.

The emerging regional architecture in the Asia Pacific will not resemble that of Europe, where there have been coherent attempts to construct regional institutional architecture. The

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<sup>55</sup> John Ikenberry, *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order after Major War*, Princeton and Oxford: Princeton University Press, 2001.

end of the Cold War and the Asian Financial Crisis of 1997 have prompted divergent responses to regional institution building. Thus, constructing regional community has not been a process with a shared grand design and vision, rather, it has been following the “law of independent assortment.” As Asia Pacific nations share very little in terms of norms, values, and threat perceptions, they have different views on the prospects of constructing regional architecture.

The development of regional architecture in the Asia Pacific will not necessarily feature a collection of institutions and arrangements built with cohesive values and goals. It could well emerge organically. Currently, there is no clearly thought-through design for East Asian regional architecture, even in its most rough, skeletal form. So, when we talk about the emerging regional architecture, we are talking about a “complex structure of something” or different structures and institutions being viewed collectively as a skeletal framework regardless of their functions and purposes. By this “bottom up” approach, the term “architecture” has to be viewed in a collective sense that it is the number, style and arrangement of individual institutions and activities are combined, not a single coherent design, to shape and form an overall “architecture.”

## **Conclusion**

The Asia Pacific region is now at a critical juncture for building regional community and architecture for the future. There are multiple region-building projects and strong shaping forces for future regional architecture. Built on Katzenstein and Shiraishi’s concept of hybrid regionalism, the author of this paper argues that the future Asia Pacific regional architecture is shaped by economic and political forces of regionalism, trans-regionalism, and inter-regionalism. The nature of this kind of region-construction will lead to a more complex and multi-layered regional structure.

The Asia Pacific regional community and its institutional architecture is a “work in progress.” The regional architecture may not be the product of “grand design” by “architects” (regional leaders). By definition, regional architecture is a reasonably coherent set of regional organizations, institutions, bilateral and multilateral arrangements, dialogue forums, and other relevant mechanisms that work collectively for regional prosperity, peace, and stability. It is thus not a single regional structure. Instead, it is a network of regional institutions, arrangements and processes. It should be a more coherent structure, not just a loose bundle of divergent regional arrangements. The community building and regional architecture in the Asia Pacific region will not resemble that in Europe. It will emerge in a “natural” way, growing out of a reasonably coherent and dense infrastructure of institutions and mechanisms in the region. These different institutional components and structures may grow in parallel and co-exist, constellating and mutually supporting one another.

There are now multiple and even competing projects and arrangements for regional community building. These projects and arrangements can be “building blocks” or, sometimes, “stumbling blocks” for the formation of regional architecture. Regional countries

need to manage the competition problem in community building. Moreover, the porous nature of the “region” in East Asia and Asia Pacific makes the boundaries between them blurred. This leads to and will continue to be a problem concerning the membership of regional community, i.e. who’s and who’s out of a particular organization. This problem, together with forging a common vision for future regional architecture and who should play the leadership role in regional community building, will continue to be major challenges for regional countries in years to come.