

## Session I Group 2 Transcript

### Moderator

Feng Zhu

### Presenters

Nikola Mirilovic  
Tiehlin Yen

### Participants

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James Gannon  
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This product presents  
speech transcript deli-  
vered at the MASI 2010  
Annual Meeting.

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## MacArthur Asia Security Initiative 2010 Annual Meeting

### Session I. Group Discussion Group 2. East Asian Community

July 28, 2010

- **Date:** July 8, 2010, 10:00~12:00
- **Venue:** Grand Ballroom, Westin Chosun Seoul

#### Moderator: Feng Zhu

Good morning, ladies and gentlemen. I am Zhu Feng from the Center for International and Strategic Studies of Peking University. It's my great honor to be the mediator of this session, Group 2's morning session.

First of all, let me extend a great gratitude to President Lee, for her excellent organization of Seoul MacArthur Asian Security Initiative Annual Conference 2010. It is very impressive so far, so I feel much pressure because next year it will be my turn to host this annual conference. But anyway, I think I will learn a lot from the EAI's exercise, and hopefully next year we also will have a very enjoyable and fruitful gathering in Beijing.

This morning session, first of all, we will have two distinguished presenters. First is Dr. Nikola Mirilovic, from George Washington University. And the second is Professor Yen Tiehlin, from the National Chengchi University of Taiwan. So I will give each of them ten minutes, then I will open the floor for questions and comments on the presentations.

So, the first presenter in this session is Dr. Mirilovic. Please.

#### Presenter I: Nikola Mirilovic

Good morning. I would also like to thank the organizers for inviting me to present in this conference, and I have also been very impressed by the level of organization, and thank you for

the opportunity to come here and speak to you.

My name is Nikola Mirilovic. I am from the Sigur Center for Asian Studies at George Washington University. And today I will be speaking about the past and the future of the East Asian Community.

In particular, this presentation will do the following: it will begin by defining the key terms; I will then briefly compare regional integration in East Asia with regional integration in Europe; and I will describe the key obstacles and catalysts of further regional integration in East Asia in the future.

So, for the purposes of this presentation, East Asian Community refers to regional-level inter-governmental international institutions: most notably, ASEAN, ASEAN Plus Three, ASEAN Regional Forum, and APEC. As you can tell, this implies a broad definition of East Asia, which includes both Southeast Asia and Northeast Asia.

If we compare regional integration in East Asia with regional integration in Europe, we can see that in Europe, regional integration began sooner and has developed further than it has in East Asia. For example, the European Union has created a number of significant European-level institutions, formally binding regulations, many barriers have been removed between the economies of the EU members, including adopting the common currency; and whether this is a good idea is a separate question, given the recent developments. But it has been adopted.

By contrast, in East Asia, the regional-level integration has been categorized by more in-

formal arrangements and it has emphasized regular meetings, as opposed to legally binding rules. So, where there is a consensus that there is more regional integration in Europe than there is in East Asia, scholars have also debated the question of whether the effectiveness of these informal arrangements is properly appreciated. There are scholars who argue that informal arrangements can also be quite effective, especially in the context of East Asia.

I will now describe the key catalysts and obstacles to further regional integration. We can think of the key catalysts coming from three groups, which are derived from three different theoretical perspectives. The first set of arguments is functionalist and emphasizes economic independent variables. One argument of this kind is that increasing economic interdependence calls for, at an international and regional level, a regulatory structure. So this creates a need for regional-level institutions. A related argument points to the Asian financial crisis as a catalyst for further regional integration, because the financial crisis exposed the limitations of the institutions that were in place at that time, to effectively address the crisis, and it provided a catalyst for the creation of new institutions.

The second argument is the dominant theory argument. The claim here is that regional integration in one part of the world provides an incentive for regional integration in other parts of the world: most notably with the advents of the European Community and the European Union later. This created an incentive for regionalization elsewhere. And the reason for this is that in addition to creating trades, by lowering barriers between members, regional blocks can also lead to trade and investment diversion, because where barriers are lower between members, artificial barriers might remain between members and non-members. So they divert trade and investment, due to this. So this dynamic creates an incentive for non-member countries in the regional block and their businesses to push for the regional block of their own, to match the advantages of the original regional block.

The final set of arguments, on the catalyst side, emphasizes the security benefits of regionalization. The argument here is that regional integration decreases the like-

lihood of inter-state war. Two mechanisms through which it does so [are]: one is that it leads to the confidence building measures; and other is that regional institutions lead to the sharing of information and to more transparency and less uncertainty about the intentions of member states. And this line of thinking would point to the end of the Cold War as an important catalyst for regional integration in Asia. There are again two mechanisms through which this took place according to this argument. The first is that traditional alliances and divides from the Cold War-era weakened with the end of the Cold War. And this allowed further forming of links across the previous divide. The other argument is that the end of the Cold War increased the uncertainty about the United States' role in the region. So this provides an incentive for East Asian states to either create a new structure that would lock the United States into the region, or to create a regional structure that would provide the potential alternative, should the United States choose to leave the region in the future.

Let me now move onto the obstacles of further integration, which we can also think of in three broad categories. First, there are issues of historical legacies and memory. There are legacies of World War II, which still have negative effect on prospects for regional integration in generating mistrust, most notably between Japan, Korea and China respectively. There are also legacies of colonial rule; many Asian countries have experienced historical periods of colonial rule and foreign domination. And the argument is that this has made them less likely to forfeit, to limit their sovereignty and to accept challenges, potential challenges to their territorial integrity, which might come from limiting their sovereignty through regional level, formally binding agreements.

The second set of obstacles has to do with regime type variation. So if you look at Europe, the European Union in particular, all the members of the EU are democracies. By contrast, in Asia, there are democratic states, there are totalitarian states as well, and this variation also occurs among the largest and most important states in Asia. And regional integration might be more difficult if it has to occur across the regime-type variation lines. Another element in dy-

dynamic here might be, is that when democracies integrate with other democracies, they may allow for more; they may accept more limits to their sovereignty and accept more formally binding agreements at the regional level. By contrast, if totalitarian states integrate with other totalitarian states, they may be less willing to do so, because of concerns about interventions and their domestic affairs.

And the final set of obstacles has to do with disagreements about voting rules and membership definitions. So some states in Asia prefer broader definition of the region, which includes the Asia-Pacific definition, which includes the United States, Australia and/or India; while other states may prefer a more limited East Asia definition, which excludes some or all those states in regional agreements. In terms of the voting rules, there are disagreements about whether all states should be/could be equally represented, or whether a leading role or larger or more powerful states should be formally acknowledged.

Let me conclude by pointing out that, the questions that our host gave me to prepare for this presentation have been very helpful, and that in further discussion. Here, as well as the literature on regionalism in general, it helps to adopt the comparative method and to compare regionalism in East Asia and regionalism in other parts of the world. And also to engage in these comparisons across time in order to determine which of these arguments have more explanatory power than others. Thank you.

**Moderator: Feng Zhu**

Thank you, Nikola. Now the next presenter is Professor Yen. Please.

**Presenter II: Tiehlin Yen**

Well, thank you, Dr. Zhu. Good morning, everybody, ladies and gentlemen, (*Sound muted due to technical problems*)

Allow me to convey my appreciation for inviting me here. Well, actually the initial invitation was to my boss, Director of the Center for Security Studies, Institute of International Relations, Chengchi University, Dr. Fu-Kuo Liu. Sorry he is not available for this meeting; now he is in the

United States. So I am his replacement.

And secondly, I have to emphasize that I just retired from the Navy last November. And I joined this institute since April. For the last eight years I was working in the Ministry of National Defense, in charge of the military capability assessment and strategic planning, and also responsible for the midway exchange, between Taiwan and the United States. So basically, talking about the regional security might not be my specialty, but I am trying to do my best. And today I would like to talk about what's going on, on the cross-strait relations, which has been changed dramatically.

Having said that, I think I really have to walk you back to what's happening in last twenty years' time, between Taiwan and China. Taiwan and China have separated politically, for almost sixty years. In 1991, along with the movement of democratization, we Taiwan government amended the Constitution and did not see China, the Beijing government, as enemy. Then we engaged with China as a dialogue. So in 1993, the first dialogue between both sides of Taiwan Strait was happening. Over the next two years, up to 1995, both sides have been getting along with each other very well. By that time, there were any kind of political elections, whoever talked about Taiwan independence would not get any votes and so, at all. But things changed. Taiwan wanted to be shown in the international arena as well. So Taiwan wants to expand its diplomatic relations, no matter it's formal, or informal. But it has been pissing China government. So there was missile crisis in 1995 and 1996, followed by 1999, the statement made by President Lee Teng-hui, former President Lee Teng-hui, talking about Taiwan and China, as the special status state kind of relations. In 2002, President Chen Shui-bian talking about there were two countries, between both sides of Taiwan Strait. All these kind of development really has made China feel not comfortable. And the tension growing up, especially during the year 2004, the DPP government under President Chen Shui-bian, he was promoting a referendum, to join the United Nations. All under this excuse, Taiwan has to be able to survive in the international arena. So you can see the last twenty years' time, the relationship

between both sides of Taiwan Strait goes up and down. President Bush, in year 2002, saying, he will do whatever it takes to protect Taiwan; but in year 2004, he changed his tone. That undermined the relations between Taiwan and the United States to a very low point. In year 2008 President Ma Ying-jeou, the KMT (*Kuomintang*) won the election, President Inaugurate, under the 92 Consensus, this Consensus was established between both Taiwan and China in 1992, even though it is debatable that people arguing this Consensus never existed, but actually it is deep in everybody's mind. Even President Bush by that time talked about there was a Consensus. Under this Consensus, Taiwan and China can talk with each other, and improve the relationship, maintain the stability and peace, in this region. What's the philosophy behind President Ma and KMT's mind in promoting this kind of approach? To make both sides can talk with each other, exchange with each other, improve their relationship at least in the economic field. In his Inauguration Speech, President Ma Ying-jeou talked about three no's, which is: no independence, Taiwan will never seek independence; no unification, China will never talk about unification; and the third no is it will never on conflict, across the Strait, in this region. So under this kind of philosophy, Taiwan can talk with China, and under the 92 Consensus, China is willing to talk with Taiwan. So that's the framework. That makes sure both sides can talk with each other, and increase understanding, and maintain peace and stability. And it has worked. In last five years, five talks have been held, and fourteen agreements have been signed. Most importantly, among them, there has been something like free trade agreement; just has been signed last week. That means, both sides of Taiwan Strait economically can improve this relationship and the relationship will be more closely come back with each other. So that's very positive development.

During Chen Shui-bian's administration, because of the relationship between both sides of Taiwan Strait was very, very bad, and President Bush made a statement; the framework of the United States' China policy regarding the relationship among the three countries, Taiwan, China and the United States, the three communicate, and one domes-

tic law, the United States-Taiwan Relations Act. So the three communicate, and the Taiwan Relations Act, actually friend the whole U.S. policy toward this region. But President Bush added up something to say: the United States will oppose either side of the Taiwan Strait unilaterally; changed the status quo. It is really tricky status quo in terms of Taiwan-China relations. The status quo can be applied to maintain balance across Taiwan Strait, can be applied to economic relations across the Taiwan Strait, and can be applied to political relationship between both sides of Taiwan Strait. I think the United States' point of view is, to maintain the status quo, the status quo means politically, that Taiwan and China have to solve their disputes peacefully, and do not use any threat or force; do not use violence to solve the disputes.

But people in Taiwan, especially those people would like to see Taiwan can be independent in the future, it focuses more on the military status quo. And they are warning, urging, the regional neighbors: you have to pay attention to cross-military balance because it has been tilting to China's favor. In year 2006, the United States Chinese military report talked about this kind of development that the military balance has already tilted to China's side. And this year's security are talking about that China has already owned capability to apply the anti-access strategy that prevents any future possible U.S. military involvement. So this kind of development, that people have different focus on what this "status quo" means. And even though that Taiwan still continues this kind of a dialogue economically with China, when we look at the whole picture, it's really a good development, and positive development. But what's next? After economic dialogue, when will both sides get into the political dialogue? Will the political dialogue eventually lead to unification? That's the question that most observers in Taiwan are watching. And also is this Institution, the Center for Security Studies, is watching as well. This institution would like to do something to help maintain peace and stability for the foreseeable future. In next ten-twenty years' time, no matter what kind of development it would be. The most important things we realize, therefore security and peaceful development of this region,

that both sides of Taiwan Strait people to understand each other more. China has to understand, “What’s the thinking of the DPP? What’s in their mind? Do they really want to establish independent, politically independent Taiwan, or simply because they want it to gain the power, or political power in Taiwan?” That’s the question we don’t know. “What’s deeply in their mind?” President Ma Ying-jeou’s idea or philosophy, we believe, he neither supports the independence, at this moment, nor supports unification, in this meantime. His philosophy, his idea, is, under the 92 Consensus, under three-no’s policies, we do not talk about unification or independence in this very moment. When in the first six months after his inauguration, we have foreign friends coming from Japan, from the United States, from Australia. Everybody was asking, “What’s going on between Taiwan and China?” They were so worried about Taiwan will eventually be absorbed into China, and eventually unify with China. Of course, they don’t represent the mainstream thinking, their own country. But they have concerns – our government officials reply, then, mainly, by saying “Don’t worry about too much about the unification. Don’t worry too much about the rapprochement, what’s happening now.” Because nowadays we’re only talking about economic affairs, nothing to do with political dialogue; because there is no way to talk with political issues. Because once you get into that kind of talk, there won’t be any conclusion. People will fight, I mean, only fight. There is no such conviction that people can see the table like this and talk about political issues, because there is no consensus, on political future for both sides of Taiwan Strait at this very moment. So his philosophy is, “Let’s not talk about political issues. But we will leave the next generation to decide what’s the future of Taiwan and China.” No matter what Taiwan will get independence, or maintain the status quo, or Taiwan would eventually unify with China, is up to the next generation to make a decision.

Having said that, this Institution on the stand of this kind of development, we are trying to establish a platform, to invite both sides, to invite PhD students of both sides of Taiwan Strait, which means that they are all future elites, to get together and talk with each other, on the issues of the

future of Taiwan and China. We understand that, year 2012, KMT will face another presidential election; Hu Jintao administration, or government, will delegate their power to next generation’s leadership. So it’s critical point; it’s very interesting period of time to watch and we also understand that President Hu Jintao would like to leave his legacy, at least, in cross-strait relations. He wanted to establish a kind of mechanism that makes this kind of exchange. The relations between both sides of Taiwan Strait is irreversible, is always peaceful, no matter which administration in power, nothing can be changed, nothing can go back to the situation like during the last decade under President Chen Shui-bian, that attention was so high that Taiwan has been co-troublemaker. We don’t want to see that. President Hu Jintao does not want to see that. So we are waiting to see what he can offer in the next two years’ time. It’s very interesting time to watch. Thank you very much.

**Moderator: Feng Zhu**

Thank you, Professor Yen, for your very comprehensive and profound introduction of the proceedings between Mainland China and Taiwan. I think it is truly a big manifesto, some sort of very dynamic economic integrations, and even in the political rapprochement, not just in the Taiwan Strait but also in entire East Asia. So Taiwan-China relations now truly, is some sort of, what do you say, a big change, and how positively would be, just as Professor Yen said, as least what it can, just have a strong sense, such a military conflict, and also probably the involvement of China and the United States into a collision course, also is now fading off. So to be a Chinese, I am very, very happy.

And Taiwan-Mainland China relations truly highlights some sort of a big dilemma, whereas the Mainland China and Taiwanese as well. So identity issues. For example, the two Koreas remain apart, but that is not such a national identity crisis. Two Koreas always just asked for some sort of unifications sooner or later. But one is always just stimulating, you know, in the Taiwan Strait’s case, is that you see some sort of identity crisis but fortunately, such economic integrations driven by act-first conclusion might well have become some sort of very important ve-

hicle to narrow such identity crisis. So I truly appreciate Professor Yen's presentation. From a Chinese perspective, we don't want to cause the Taiwan back. We also would like to put forward ways, economic, social, and even some sort of political dialogue in integration, but promise, and what path it could totally based on the consensus between the two sides. But another puzzle now is, it seems to me, still very, very annoying the both sides, Taiwan and the Mainland. I mean, in one way, Taiwan could be integrated into the East Asia Community building process. Beijing has been very politically sensitive to such contending sovereign claims on both sides. But to the promise just to have Taiwan into such a community building process, then we also have to care about, for example, it is not security coherence; it's sovereignty coherence, for Taiwan. So then such a thing is truly, is a big task for wisdom and openness on both sides. So then ECFA also as a benchmark for bilateral relations in Taiwan Strait. But in the future I think the bigger task is how such an ECFA driven to integration secure to facilitate Taiwan's entering into East Asia Community. That will be, some sort of, I think, big task for both sides. But how such a thing could be answered, remains very, very, uncertain.

Let me open the floor. I think it's not just some sort of very particular session for two presenters. We are all, you know, clusters, research institutions' distinguished representatives. So then you can just, how say, talk some things, responding to presenters, or you also could just address your points responding to today's regional security cooperation and East Asian Community.

Okay, just keep your name card, just erect. First is President Lee, then it's Ralf. President Lee, please.

#### **Sook-Jong Lee**

Thank you, Professor Zhu Feng. I think we have the afternoon session to discuss about the intra-group topics. So, I think it's better to focus on the agenda of this session, East Asian Community, and of course, comparing the cross-China relations, what the inter-Korea relations is also relevant part of the Community building, but maybe we can just prioritize our discussion topics to East Asian Commu-

nity first. For that matter, I'd like to pose my questions to participants. I think it is important to maintain the political discourse and also the political leaders' energies and attentions to do this concept of East Asian Community, because unless there is a certain kind of political leadership, it is difficult for bureaucrats to materialize East Asian Community policy as a policy. For that matter, recently, two political leaders who had been advocating East Asian Community had stepped down: of course, Prime Minister Hatoyama and also Prime Minister Kevin Rudd. So I would like to ask our Japanese participants and also the participants from Australia, whether the current government is trying to carry this, previous leaders' East Asian Community concept. And also, secondly, I would like to ask the American participants, after Secretary Hillary Clinton's talk at Hawaii, I guess for the past several months I saw, I read, kind of a setback, or declining, or kind of discussions that maybe the United States is too busy to commit to East Asian Community or have too many summit meetings and so forth. So I see they tried to take them all away and see attitude, rather than more proactive participation as Hillary Clinton has mentioned in January. So those are my questions, and if I have a chance, I'd like to speak about South Korea's partition in this East Asia Community.

#### **Moderator: Feng Zhu**

Great. Thank you, President Lee. So then I think we are all, you know, the participants could just, how say, respond. Professor, Mr. Ambassador, please.

#### **Tadashi Yamamoto**

I go by Tadashi normally, so. Trying to respond your point of question. In fact, East Asian Community is not the making of Hatoyama. We've been talking about that for many years. Actually, I was working fairly closely with Mr. Obuchi, and the East Asia Community building was one of Obuchi's policy direction. And I think, you know, fundamentally, what we would like to see happen in the region is that we will be sharing the common interests, whether it be economic side, or security side, and that's the way we

would have a more stable region. And trying to defy any kind of confrontations, which takes place in some parts of that community, the region. So I think, even though Hatoyama is gone, well he's there, I mean, he's out of power, I think the next prime minister, whoever that will be, he'll stick to the position that Japan should be pushing the East Asian Community building. And we will perhaps frame the leadership role there; not in the kind of the leadership to force other people to follow, but greater responsibilities in creating that kind of community. That will be my guess, and a fairly intelligent guess. And I think that, by the way, East Asia Community is not the kind of the counterpoint to any of the other communities, such as the European Community, or North America. Speaking personally, I've been the Director of the Pacific Asia Trilateral Commission, Brzezinski and so forth, in mid-seventies. And around that time, actually, in fact, Japan was the only participant, out of Asia, the Trilateral. North America, the U.S. and Canada, of course, Europe is Europe, and Europe has already that kind of community. And Asia, you know, we would try to bring in the Asian friends in dialogues and discussions and research, and one of the broader Asian perspectives is needed. And in fact, it became fairly clear very quickly, that we cannot talk about Asia with Japan, by itself. We just have to bring in, for instance, South Korea, and ASEAN countries, and so forth. Australia, yes, indeed, but you know, somehow we don't really have that much close feeling, to be very honest with you. So that's what I say. And I think the East Asian Community, I think when we discuss that, we should perhaps try to clarify what's in our mind. Otherwise, we will be misunderstanding and so forth. And very frankly, I didn't get any sense, or clear direction, out of the two presenters. I am sorry to be very honest, but I mean, to me, China-Taiwan relationship cannot stop the community building. I mean, in fact, of course, we will be happier to see, hopefully, if not integrated, but close relationship between Taiwan and China, and both of them be a part of the community, sharing same interests, and working together with others. And it will be too cumbersome to think about whether this issue, Taiwan will buy and China will not buy, and so forth. We would like to see more uni-

fied, common approaches by two nations, as would be a case with other countries in the region. And I think, you know, think of it, it's a long way to go. As I say, the Trilateral Commission rightly or wrongly, as Brzezinski's, the word we talked about, first industrial democracies. And that's the big question mark; as to whether we are talking, if I may be very honest, China has that kind of democracy that we really envision to be the kind of framework, nation conducts itself. Not to say that because of that China has become substantively a threat; that's not what I am talking about. But I think China, for example, Japan, if we share similar values, I think we will have more amicable relationship and constructive relationship. And that would be contributing to the betterment of the region as a whole. So I raise a little bit, maybe, sensitive issue, but that's the kind of thing we have to tackle with when we talk about community building. And it's nice word, it's nice that, the title for the speech of partitions. But what do we mean, really, by community building? That's something I would like to learn out of this discussion today this afternoon and I don't even, any hunch of as to know how to run the afternoon session; I should let everybody speak as they wish. But at least I will try to get some sense of direction for myself, what my colleagues in this region think when we talk about East Asian Community.

I may have said more than responding to this question, hope you don't mind.

**Moderator: Feng Zhu**

Thank you, Mr. Ambassador, for your candid insight. Andrew, would you like to respond? Someway? or Malcolm?

**Malcolm Cook**

Thanks for the hand, Andrew. Yes, on the political changes in Australia, and of course, Prime Minister Rudd did not step down; he was pushed off, basically, by his own party, just before election, first time that has ever happened in the first term of a prime minister. On the Asia-Pacific Community idea as itself, new Prime Minister Gillard's foreign policy comments to leading journalists in Australia were to walk away from Kevin Rudd's approach to that.

And with Foreign Minister then saying, “Well, no, not quite.” So there’s difference. I think if you look at the concept of Asia-Pacific Community as expressed by Prime Minister Rudd that Australia would seek a stronger regional organizations that have all the major powers that table, including Australia, of course, and talking about both economic integration issues and some of the more difficult problems that we talked about earlier today, I think there is widespread agreement in both sides of politics in Australia, so that’s good. So the concept of, “we need to move further than what we have now” is not sufficient to deal with, particularly the geopolitical shifts; I think that’s strong. Where the Rudd initiative is now dead in my opinion, is confused as a process, it was the speech that then became a policy that surprised everybody, including everybody in Canberra, so it started off bad, so we have to start walk away from that. Also the institutional approach threatened ASEAN, but also confused everybody else, because it wasn’t quite sure what the community would actually look like. So those two things I think will die. Those are the things about the Asia-Pacific Community that will die.

Interesting we’ll have an election in Australia before the end of November, probably sooner than that, and which side of the politics wins may determine even if this kind of regional, grand regional vision is continued or it is jettisoned as a whole, and another interesting wild card would be what will the Labor Party do with the former Prime Minister Rudd, there’s some speculation that he may become Foreign Minister but, that looks like that’s a fading option. And if he’s not Foreign Minister, then I think Australia will pretend the Asia-Pacific Community initiative didn’t really happen.

**Moderator: Feng Zhu**

Thank you, Malcolm. Andrew, do you have any? Okay, Ralf.

**Ralf Emmers**

Thank you very much. I would like to pick up on two points that Nikola made. And then ask a question to the panel, well no, actually to the entire group.

You referred to, when comparing Europe to East Asian

regionalism, to obviously more informality in the East Asia as well as less focused on common values. I do fully agree with that. But what is interesting is, if you look at sub-region of East Asia, namely, Southeast Asia, that we seem to be seeing a shift towards more formality, and the forging of common values. This, of course, has been a very challenging set of issues for the ASEAN to address. So if you look at the ASEAN Charter, to look at the ASEAN Security Community idea, the Economic Community idea, you see, in an attempt at moving towards a regime-style form of integration. And this is in fact making some analysts nervous in Southeast Asia, arguing that ASEAN might give up essentially what was its inner strength, which was this nebulous concept of the ASEAN way. That gradually the ASEAN way is going to be replaced by more rule-based and legalistic approach to cooperation. So it seems that the gap is still huge, no less, but the gap between the European integration and what some analysts predict may happen in Southeast Asia is actually narrowing. And you could, to some extent, make a comparative point on values. Especially, if you do pay close attention to Indonesia’s foreign policy, which increasingly now is arguing that ASEAN should try to promote a broadly defined democratic system for Southeast Asia. So good governance, democracy, human rights, are now terms which are repeatedly used in ASEAN documents. So, what is interesting here is that, again, values, but clearly more formality rather than less formality seem to be making some kind of a comeback in Southeast Asia. And the jury is still out whether this is a good thing for Southeast Asian integration or not. So those are my comments.

Now my question: I’ve been attending quite a few conferences in Northeast Asia on this notion of an East Asia Community, and I do agree with you, sir, that I think we do need to define what we actually mean by that. But what I found quite telling over the last couple of months is this enthusiasm about the Trilateral Summit. Feeling that APC is out, because Kevin Rudd is out, Hatoyama, fine, East Asia might remain an idea, will most likely to remain a rather abstract idea, but there seems to be more traction behind the thought that Trilateral Summit could become

an inner-core of integration. And I can tell you this is exactly what the Southeast Asian countries are very nervous about at this stage. So they feel we survived Kevin Rudd, we survived Hatoyama, now we have a new problem which is the Trilateral Summit. So I would like to ask my fellow participants today and especially those based in Northeast Asia whether this enthusiasm is sustainable, whether is actually based on facts, or whether we are seeing a new Kevin Rudd phenomenon where there is a lot of enthusiasm initially but eventually this is not going to come through.

**Moderator: Feng Zhu**

Okay, thank you, Ralf. Nikola, would you like to respond? Just immediately?

**Nikola Mirilovic**

I guess we can continue. Yeah, as I pointed out before, I think there is a debate to some extent on whether these more informal arrangements actually are a good thing, given the context of the region. Also, given that, as I pointed out before, that regional integration in East Asia started later than in Europe, it may follow the same pattern that may indicate that it will become more formalized, just through natural course of things. That's all.

**Moderator: Feng Zhu**

Next speaker is, Brad.

**Brad Glosserman**

I want to turn to the questions of Dr. Lee, but I would like to start with Yamamoto San's comments about the right questions and community building process. I think, I've been increasingly obsessed by these issues, so forgive me, I will sound a bit, I will keep hitting this note, during my comments this afternoon, but if the question we need to ask is, "What is East Asian Community for?" And I mean, we've heard it was primarily a function of economic efficiencies. And I sense that that is very, including I guess the theoretical notions of democracies don't fight with each other, integration diminishes the prospects of interstate

conflict. And I would suggest that's disingenuous. And I would suggest that that's probably not true. Broadly speaking, again, and you will anticipate what I will say this afternoon, my sense of East Asian Community is, it's about rebalancing the way the world works. It's about governance. And I am intrigued, of course, Yamamoto Sensei mentions the Trilateral Commission, which I would argue, anything but trilateral. And I would suggest that the argument is really about East Asian Community, and the question is what for, and it's about changing the way the world works. And I think we need to be either honest about that, or at least, articulate and debate that issue. Because that is what has implications on the way the world's going to work. And the way East Asia's going to work. And so, I would urge this group, in our discussions and elsewhere, to tackle that question head-on, and please disprove me, or at least engage me in an argument about that question. Because I think that is what we, where we really start, that will determine who we are, who East Asia is, and how we, those of you, those of us that aren't part of the "we," will respond to it. So having put that on the table, let me now turn to Dr. Lee's question about the United States. And I will offer this is somewhat probably idiosyncratic; although I hope to correct interpretation, I urge my other fellow Americans to correct me, or do whatever it takes to set the rest of the group straight as I mislead you. And I would suggest that in United States, in particularly this administration, quite frankly, even predating an intellectual appreciation of Asia. I mean, there is great continuity, in U.S. policy, notwithstanding that self-congratulatory we're back and we keep hearing from this administration, more continuity in Asia policy than perhaps, in any other components of U.S. foreign policy, but that's a broader discussion. Nonetheless, that intellectual appreciation is bounded by some very important facts. Number one, there is, I think, a sense, as we look at integration, frankly a refusal to take it seriously. On one level I think that is because Americans don't get it. And this is a level of analysis problem, as the academics would put it, which the Americans look for grand designs and grand visions, that's why we have leader summits, where I would suggest Asian integration as I understand it, being

truly affective and moving forward, is truly a micro-issue. The metaphor I like to use is, Americans look at the design of the carpet, whereas Asians would look at a particular weave and individual threads; and I've argued for years that the focus is we look at East Asian integration and community building, should really be on the low level confidence building, capacity building measures. That's where standards are set, that's where community is established. And I think that we, most Americans, don't get it. Particularly, those of us that work on security issues, because what I am talking about is very low-level, bureaucratic, in many cases economic issues. And frankly there is this gulf in this security and economics community that I think needs bridging, and it's something that needs to move forward. And that's again, a hobby horse that I am prepared to ride. So the first problem is that this refusal to take integration seriously because I think we don't get it. We don't understand its purposes. Second, I think that in the United States there is an increasing domestic focus on national security in general. If you look at the national security strategy that lays out getting our house ordered, that's what creates a strong country, that's what will sustain the U.S. position worldwide. You look at the notion for education, you look at economic issues, all of that talks I would call domestic focus. That is separate, too, and I would note, by the way, that as you've asked, as I've asked the National Security Council members in the past about, "Would the president go to an East Asian Summit?" Their answer is, invariably, "Well that's the scheduler's problem." And I think that that kind of dismissive response is precisely one of the mentalities that we're up against. Related to that but separate, is the third issue which I would call domestic politics. Not the domestic focus but literally, issues that have to do with, for example, the need and the inability of this administration, I think, to move forward on trade agenda. Because I think that's the strength of domestic constituencies of the United States. Of course, I would throw on the table here, is a primary example of that. The fact of the matter is if you want to go to Hillary's speech, I think what it really, it precisely failed to speak to that issue. It precisely failed to address the question of economic engagement. And I think that

speaks to a broader failing of U.S. policy generally, which is this inability to bridge the security again on the economic side and again that speaks to conceptual failings as well as this issue of domestic politics. Finally, fourth, in terms of U.S. position, I think there is a profound uneasiness in the United States with change. Remarkably, since we are, I think, a country most capable of dealing with change systematically, I think there is a sense in the U.S. that is bound, that is created by declinism, by the rise of China, that just has at this moment, all the anxieties in the U.S. about its place in the world create profound uneasiness and anxiety. And I think what that ultimately leads to discomfort with East Asian community, a refusal to take it seriously, because of the potential consequences, and what I call "status quo plusism," which is a refusal to move beyond small incremental challenges when in fact we are, from my perspective, potentially at a tipping point. Where we are at gross systemic changes, and the East Asian Community is one expression of that; I don't think the people that I work with and I spend my time talking to, take it seriously enough. That should, hopefully, give us something to talk about.

**Moderator: Feng Zhu**

Okay, thank you, Brad, and you are breaking a new ground, and just presented us some sort of different approach. And we also have some sort of a contending methodology on how to examine the East Asia Community, I think Mr. Ambassador's view sounds very liberal, and also very inspiring; and Brad is very realistic, and also very I think truthful, so then maybe it is also very good that the debate not just on the scholar base, but also we need on some sort of real base. My view is probably more favorable to Brad, for example, yes, Mr. Ambassador, I think, my country is always being very embarrassed for its political format, but the problem is how long does it take for China to evolve into some sort of democracy. I am also very, very curious about this question. But we can wait; we can wait until my country fully aggravates some sort of very, very tremendous political innovation; then we just start off such regional integration and community building. So what is always

striking me is that how we can, just start off, from some sort of details. So my hunch is that, Mr. Ambassador, if China, Korea and Japan could be sitting, and very seriously, take a look at their trilateral FTA negotiation. That will be fantastic; I think the cornerstone maybe you got going to just laid out for community building in this region. Because look at the economic statistics such as regional economy; truly, economies, truly, very, very closely, profoundly, broadly connected work. But how just make it into some sort of a new level, it is not just the economic consideration; it's very, very political consideration. So FTA, even just between China and Korea, it is also very political. Between China and Japan; maybe more political. That's why I use such a trilateral FTA negotiation as a test on, if community, as some sort of achievable, goal in the region.

Okay, let me, President Lee, you have any? You'd like to share what is your view about community? You can just say so, then.

#### **Sook-Jong Lee**

My view of community? Well, when we say community, certainly it has certain element of *gemeinschaft*, rather than *gesellschaft*. In that aspect, we must have, certain, shared common goals, and concerns about public goods, in the regions, and then, maybe share norms and identity. But the last element is very difficult; so in that matter, I tend to agree with Pempel's analogies: distinguishing regionalization and regionalism. Of course in East Asia, there is regionalization that has been deepened with all these trade linkages and investment linkage and human mobility, all that increase it. But if we are talking about regionalism, we need more political structure, and maybe institutional design to where the inter-governmental relationships is key, in addition to society level of exchange and cooperation. So in that matter, I see, of course, regionalization in East Asia has been deepened, and also regionalism is at a good shape, even though we have very informal, and less developed, more formalistic, regional institution building compared to European community, if you see the post-1990s all these regional bodies I think there is a good sign, but not to mention ASEAN, APT and EAS and all these functionally, or more broader, forums and institutions to ad-

dress economic and also security issue like the ARF. And I know there is very overlapping regional bodies and we understand China is more appreciating APT and Japanese government is considering both APT and EAS, and I know ASEAN countries became nervous with the development of Trilateral Summit in Northeast Asia. My view of these overlapping institutions; they will be competing, but not necessarily exclusive. There are many triangles in the region; so my idea is that, maybe three countries of China, Japan and Korea in the front stage, they will continue to put ASEAN as a driver's seat of East Asia regionalism to be developed. But in the back seat, in the behind curtain, these countries, three Northeastern countries, are going to deepen their dialogues and cooperation. Already, at the ministerial level, there are many cooperations: environment, trade, and many things. And then we began to summit meeting among three countries. I appreciate your suggestion about FTA, but I will say there are many, will be many agendas for the political leaders of these three Northeast Asian countries to talk to address and to go ahead. So we can see a kind of parallel development of these three Northeast Asian countries' cooperation, what the ASEAN and broader East Asian Community building in that matter. And I appreciate that you are very provocative with this talk about U.S.' position. Because U.S. has been regarded as a stumbling country block, rather than stepping stone for the East Asian Community building; in that matter, we've been watching a kind of new mindset, in American leadership. As he has mentioned, appreciation of East Asia, and in that matter, what the relatively declining resource power of the U.S.A, and what's helped by rising multilateralism in East Asia, U.S.A is going to take more cooperative policy toward East Asian Community building, in that matter. So I guess we have a very overlapping, and some kind of redundant regional organization, East Asian organization, spilling over extending to Asia-Pacific organization like APEC. So in the coming decade, I see, we'll see more interest in development to beyond.

#### **Daqing Yang**

Thank you, in the room full of experts on Northeast Asia, I

fear to be a little bit out of place as a historian, but I am here, mainly because I am teaching a course on East Asian History, and I am, really interested in the question what East Asia is supposed to consist. I have a problem defining it. So the question raised earlier about whether this Northeast Asia, so the trilateral regionalization is going to be the driving force, and for me, I am going to put my bet on it. Even, well I agree with President Lee that there will be multiple processes going on, not necessarily competing with each other, the reason why I'm saying that is that my colleague, in his very concise presentation mentioned that, these historical animosities often being cited as reason that the region cannot really form a shared community; because they have all these grievances between Japan and China, between Japan and Korea, and even between Korea and China. But what we don't pay attention to is that this very historical animosity has already generated a process of deep engagement among intellectuals, educators, about a shared history. As you may know, in 2005, for the first time, the three countries published a common history supplementary textbook. And this process is still going on in the second stage. So paradoxically, these animosities are creating a kind of intellectual community; they realize they have to engage each other more deeply. And I don't quite see this kind of deep engagement taking place between East Asia and elsewhere.

And the other question I ask my students is "Was there ever an East Asian Community in the past?" As if we are talking about something truly unprecedented. Well, in some ways there was. Some call it Sino-centric world; so if you look at the history, there was a certain shared value although we are not talking about the shared value as we speak today. In addition to the point raised by my colleague Nikola, I would say there's also shared sense of victimhood in the modern era where all these three East Asian countries had their sovereignty compromised. Not just as the result of the World War II, or Japanese Colonialization but even before that, at an attempt of the Western Imperial Expansion. So in that sense this shared sense about protecting their sovereignty which can be an obstacle to further integration is, at the same time, a shared

kind of identity, so to speak. So I think there are always two sides to the same coin; and I just want to say that, in addition to the Northeast Asia Regional Summit, there is also multiple levels of intellectual engagement among historians, I think there is also annual meeting of wise persons, among the three countries that are elite from all sectors. So, again, I am putting my bet on this smaller East Asia.

**Moderator: Feng Zhu**

Thank you, I think in this area, history truly matters. Malcolm?

**Malcolm Cook**

Yeah, I wanted to take even a more realist term to use than Brad, in all of this, and that kind of ties into the work the Lowy Institute is doing under MASI, but I won't use it as marketing plug. But our argument is, I think maybe in some sense the discussion of an East Asia Community and some of these grand visions aren't only good for politicians and foreign ministers to talk about, but actually could be kind of dangerous, or at least, counterproductive not only for the leaders themselves but for greater cooperation and trust building in the region. Our MacArthur project kind of challenges the basic liberal institution's idea that if you build something, and get it right, people will come and change their behavior; so if you get the right people around the table, we'll suddenly start to like each other, start to develop common values, and the world will be better. We actually argue that shaped, effective regional organizations and ability to move closer and at the moment, the thing that's most powerful in East Asia or the Asia-Pacific, Australia in the second, not in the first, probably, is that we are not even, in a period of geopolitical transition. We are in a period of geopolitical flux, so the idea that in this extremely fluid geopolitical situation you can talk about, in some time, ten or twenty years, having a community where we all have shared values that aren't negative, i.e., we're not Western or we don't like the West, is probably both, analytically wrong and could actually be kind of dangerous. So I think, really, we should be focusing on, have to figure out

what the geopolitical future will be, how to establish that, and then once that's been achieved, move forward. And on that I will take the proliferation of different organizations, I know Ministries of Foreign Affairs like to say that at some point they will all merge together and some kind of very useful, for me, it's an example of the actual competition that's going on under the surface, and the APT and the East Asia Summit, examples the best that happened in 2005 at the peak of Northeast Asian tensions particularly between Koizumi, Roh Moo-hyun, and Hu Jintao, and that tells you which membership was largely defined by that competition itself. And interestingly, South Korea is hosting the G20, it will be interesting to see whether the G20 is another competing global organization that challenges these regional organizations, or whether they can also be, in a hopeful, liberal, idealist way merge together to create a stronger community with a global reach. My bet is that it will be more competitive one, than a cooperative one. Thanks.

**Moderator: Feng Zhu**

Thanks, Malcolm. So let me give the floor to Mr. Ambassador. Would you like to respond to Brad's (counter) points?

**Tadashi Yamamoto**

I don't know what the question is, but I will just point a reference. Please, don't make me an ambassador, I am only an NGO; and so I go by Tadashi, if possible; I have friends in foreign ministry but I think my definition of ambassador is that, they are not necessarily, ... well, I will stop that. (Feng Zhu: Okay, whatever you want.)

No, I think, you know, it may be an intellectual behavior to put things in a categorical way. And when I talked about the community building thing, I was not talking about, that suddenly everybody will sign the paper and say we are part of that community, but we are talking more about the sharing process, if possible, values. But even if you don't get there, the shared interests and so forth, and you would find in the countries in a certain region, regional setting, have a certain common interest, more likely. And we will try to, somehow, to defy the constraints, or try to,

in fact, to reduce the constraints against the kind of sharing of values, or sharing of interests and so forth. It cannot happen just by government agencies, government, political leaders. In fact, so far it has not been argued, but I think the intellectual leaders, NGOs, corporations, they can be elements of community, in my view. And so I think it can take also two forms; you don't have to be in the building situations right away. Perhaps, better not. Because you waste more time trying to figure out what kind of structures and who the members are, so forth. But I think, really, that we would try to encourage people to work together, whenever possible. One point I would like to make here is that, again, although East Asian Community connotes Asia, but I think, you know, even the United States can be a part of East Asian Community, on the basis of common interest. And we should sometimes invite Americans to be part of our joint undertakings, and that's by way of advertising the book we just came up with, which is, *Getting the Triangles Straight*, and this trilateral is not the one we've been talking about, but this is China, Japan and U.S. relations. It just came out; it is written jointly by Wang Jisi, Kokubun Ryosei, and Gerald Curtis of Columbia. So I recommend that you read this one. This is very useful in getting that kind of different notion of regional collaboration. Jim, would you like to say something? You did this project. So, if you want to say something more than what I said, go ahead.

**Moderator: Feng Zhu**

Please.

**James Gannon**

Thank you. I don't really have too much to add to that, although one of, in a sense I do think this point that China, Japan and the U.S. triangle is, how you manage the tensions between them is, central in this discussion of East Asia Community. Because East Asia Community, I think you can argue that, maybe I am in disagreement with Brad on this, is one way to turn down the heat on the U.S.-China relations, on China-Japan relations, and so on. So I do think we do need to be thinking at different levels, not just in terms of regional institutions but these trilateral

institutions where it fits in the global level, and the bilateral relations, where they all come together in this. So it's really a bit of complex mess that we are grappling with. That's why this creation of visions is important.

**Moderator: Feng Zhu**

Could you speak a little bit louder? (James Gannon: Oh, sorry.) Thank you.

Before Brad responds again, let me invite the back seats, celebrities, a couple of ambassadors there, so, would you like to join us for such a very interesting debate? Okay, please.

**Dongsun Park**

Ambassador Park, from the Ministry of Foreign Affairs, although I am not representing my government; I am just here in my personal capacity. Very interesting topic and very eminent persons around. I am very flattered to be here.

First point I'd like to make is, personally, I think there is, East Asian Community already exists. That is the perceptions that I think many Asians share. Especially the three countries, Korea, Japan, China, I mean, we have historical community, cultural community, and linguistic community. So I think that is something that many Americans or Europeans cannot understand very well. I think the Americans may think that we are starting something new. But I think, in my perception, there already exists Korea-Japan-China community, and we have been failing to talk with each other, for historical reasons in recent 19<sup>th</sup>-20<sup>th</sup> centuries. I mean, so it's, maybe we're just filling in some gaps which, we're already living under one roof, and we're just, you know, restarting our historical memories. And so maybe to the Americans, friends, we can say that don't be a "stumbling block," someone used that term; but join us, please join us. Maybe this is something, I mean, I don't like to praise the Japanese' contribution to process of invading China, Korea, but because of Japanese's role in the 19<sup>th</sup> and 20<sup>th</sup> centuries, we have already experienced the world where South Koreans could travel all the way to China, South Koreans travel all the way to Japan, without any hin-

drance. And that was the community, you know, universal, some universe, Asian universe, already existed here. And I think what is happening right now is to revive that old memory and it will be artificial for any of us to stop that process.

**Moderator: Feng Zhu**

Thank you, Ambassador Park. Daqing, would you like to say something more? It's not history, culture, in a sense truly intertwined not just in history but also so far presently, you raise a great point.

**Daqing Yang**

Oh yeah, I very much share what Ambassador Park just enunciated. Although I wouldn't go so far to say that we all want to re-live that kind of past. But you're absolutely right that there had been community in pre-19<sup>th</sup> century and also in the early 20<sup>th</sup> century when Japan created this kind of empire in Northeast Asia. But I absolutely agree with you that the kind of ties formed in that period cannot be just simply forgotten. The kind of history controversy, you know, in a way a re-discovery of both negative and positive ties that have existed among especially Northeast Asia.

**Moderator: Feng Zhu**

*(Sound muted due to technical problems)*

**Sook-Jong Lee**

Can I just put a very quick input? Because I don't agree with this talking by two gentlemen. I shouldn't, I think it's dangerous if we describe, let's say, pre-modern period of Asia, Northeast Asia, as community. That's ridiculous. It's not a community. We had the tribute relationship between China and Korea, the Chosun Dynasty. But it's not community. And there was a kind of exchange of people and culture between Korea and Japan, but it's not community. Okay, so even now it's not community. We are talking about building community, so I'd rather prefer more parsimonious definition of community, and just to revert to Malcolm's statement also: when East Asians are talking

about creating community, we are not talking about creating something opposing to West, or trying to exclude Australia, or U.S. Never, never. It's an open regionalism, and then when we talk about the community building in East Asia, I think there is an element of soft balancing. As we have mentioned, the world is in transition, in flux. So as safety, as a hedging policy, I think it's good, especially for the weaker countries gather together, I think it's better to respond to changing the powerly ordering; like a relative resource decline of the U.S., although U.S. is very absolute hegemon in terms of military power, and also rising China, I think it's good to socialize China to this regional community. So if you see this kind of the political motive of the soft balancing, in changing regional order, I think there's a value for East Asia's institution building, so it's never to try to exclude the West, and as you can see, there is more, kind of, appreciation, about the alliance relationship where the U.S.A. is some part of the region, I say South Korea is one of them. And also Australia has been pushing their image as part of Asia, right? So, you have a dual identity. So that's my comment to Malcolm.

**Moderator: Feng Zhu**

Okay, Brad.

**Brad Glosserman**

This is a wonderful discussion. But it's utterly confused. I mean, we're talking about completely different things. That, again, until we answer the question, what this is for, we're not going to have a discussion that's meaningful. And I agree completely with your comments, all due respect. How can the U.S. be part of your roof? We're geographically not part of this world. We're culturally not part of this world. We're integral to this world, if you want to talk about security within institutions, and in terms of its economic future, although that's going to change. But again, so, I am all in favor of institution building, and I would take your shoe, by the way, if anyone calls me a realist, I am a "small R" realist, not a "big R" realist. I don't believe in any, I mean, you know, constitutionally buzzed academic-

served pigeonholing, as Yamamoto Sensei. But I think our failure, to discuss or to identify East Asians, and I leave this debate to you, to tell us what this process is for, means that we are not going to get anywhere other than a jumble of ideas, because we are talking about different things. I would remind Dr. Lee, for comments this morning, and I'd like to get a copy of them, by the way, when you talk about more democratic world order, we're talking about governance. And it seems to me implicit in this message, is the need, somehow, Asia wants more say, over outcomes. I think that's accurate, and it's justified. But I have two questions. Number one. How would outcomes be different? Because that's where all of the anxiety comes from. This notion, that the world in which you have a greater voice and we have less, will be a world that operates on different principles. So if we're talking about governance, and that's the purpose, to give Asia greater voice, my voice is diminished. That may be fair. But that's what we are talking about. We're not part of that community. Because by definition it excludes us; the world comes at our expense. That's okay. But we need to be honest. about what we are talking about. So in one sense we're talking about community, are we talking about East Asian Community? Or an Asia-Pacific Community? Because the United States, I think in wrongfully some ways has an instinctive resistance to an East Asian Community. I think, again, wrongfully, whereas we always say if you want to talk about Asia-Pacific Community, we're okay with that. Because that's one we're part of. But again, I think that's, that becomes a functional security, and economic relationships rather than political ones. Global governance issue. So what's it for? And finally, two other minor points to tackle the issues that have been just raised. Number one, in terms of this proliferation of institutions, I am very troubled by that. I think, ultimately, in a Darwinistic term, and Darwin will demand some of these institutions die. ASEAN itself has hundreds of meetings a year. ASEAN Plus Three has additional, dozens of hundreds of meetings a year. And you want to put other functional discussions on top of that. The ARF is proliferating. And what other security institutions do we have? How is it, particularly, that all of these

nations that are in relatively modest stages of development, bureaucratically, capable of dealing with these hundreds of meetings? That alone speaks to something about the capacity for institutions to survive. We have to be real, “small R,” realistic about how that’s going to work. Finally, in terms of trilaterals, I’ve always, I’ve been following the JCIE, *Trilaterals* is a great book, by the way, it’s sitting on my desk. We, my organization has had for fourteen years around trilateral and Zhu Feng is one of our partners. We’re still trying to put together next meeting, and it’s proving difficult. But my sense is that, number one, ultimately, that triangle is important as it is, its capacity merely will ultimately serve only a confidence building purpose. Until we have an East Asian change, that U.S.-Japan-China meeting is ultimately, extremely limited in what it can contribute. Not only because the differences in the partners but because as any trilateral does, it excludes vital partners. Everybody likes trilateralism as long as there are four people at the table. That irony, is what I think what defines and limits ultimate success of trilateralism.

**Moderator: Feng Zhu**

Truthfully, truly, honestly, such a, what do you say, problem-picking talk and comment. Ralf, do you have any?

**Ralf Emmers**

Actually, I would like to follow up on what Brad said. Generally, I agree with what he was arguing and I think the question of what it is for, should really be at the fore of the debate. And it seems that since 2004-2005 with the establishment of East Asia Summit, the conversation has always been who’s in and who’s out. And in fact that is perhaps not the right starting point. It’s always been about should we invite the Australians and New Zealanders, should we have Americans, should we have India. But it’s never really been about what should we discuss, once we all meet in the room. Where, however, I do perhaps disagree with Brad is that I don’t think the type of, yes, on governance, but I don’t think the type of institutions we have currently are capable of discussing the big issues. You know, the shift in the power distribution, the Korean peninsula, cashmere,

the South China Sea, you name it. I don’t think they are the level of confidence has been reached, unfortunately, to discuss those matters. Look at ASEAN, yes, forty-two years of integration, 700 meetings a year. There are still numerous topics that cannot be talked about. So, what I would suggest here is, well, what is it for, essentially, it’s about confidence building and trust building. It seems very mundane and unambitious statement to make, but I think initially that’s what we need to go through. We need to build up trust, we need to build up confidence. And here, perhaps, that is really the only area where maybe some parallels can be made with Europe, I would argue, is functional cooperation. Let’s focus on very boring, technical questions. Make sure that the journalists will not be interested in those questions because they are so boring and so technical. But I think this is an opportunity, this is a venue to build up trust and confidence between those countries, I mean, this is what my colleague Mely Anthony is focusing on in Cluster III, the non-traditional agenda, essentially. I think it has to be dominant in trying to build up that form of governance, but at the same time, at the level where all countries feel comfortable joining in.

**Moderator: Feng Zhu**

Thank you, Ralf. So then I think your points I will ask my Taiwanese colleague to respond very quickly. I am sorry to keep you waiting, Dr. Just let him first.

**Tiehlin Yen**

I will be very brief. Thank you very much. It seems to me, having heard everybody’s talk about East Asia Community, seems to me that Taiwan already is out of that Community. Because nobody mentioned about Taiwan. In terms of that, I will say China has been very successful that persuaded everybody in this region that Taiwan is part of China, so when everybody talks about China, Taiwan is automatically part of this big country. Or, I could argue, also argue that probably in last two years, President Ma’s policy, new approach to engage in China has been very successful that nobody wants to mention Taiwan because Taiwan (it is) no

longer, a possible troublemaker. So let's do not worry too much about Taiwan because it is very peaceful and very stable, kind of situation. We don't put much attention on that.

So, having said that, it has a root, I mean has an issue, or a question, or whatever rooted in bilateral relationship between Taiwan and China. When people talk about community building in this region, no matter Australia, New Zealand, or the United States will be part of it eventually or not, or just observer, I certainly share with Brad's viewpoint, what's the purpose for that anyway? But eventually, majority of Taiwanese people, the first idea when they heard of this community, they will automatically think, "What's the status, what's the place, is there a place for Taiwan in that community or not?" If not, the opposition party will take this advantage to criticize the current government, the current administration, saying "hey, your approach to, your engagement strategy to China is totally failed, failure." So in next election, this current administration might not have a very good opportunity to continue. So that's the problem the current administration faced. China's official dealing with Taiwan, talking about they will consider, after signing the ECFA, Economic Cooperation Framework Agreement, a kind of free trade agreement. Can we sign the agreement with the other countries? With the United States? South Korea? Japan? Or Southeast Asian countries? We don't know. So that's the big issue for us, for Taiwan. What's the next? Or, are we going to talk about politically with the other side, to decide Taiwan's international status? Can we be part of ASEAN? We joined the APE, as an observer, at least, the World Health Organization observer status which is a quite big state, I personally believe it's very successful, but how about the other international, economic, or functional organization? What will be Taiwan's position? When we are talking about East Asian Community, let's think about the organization already exists in this region, would Taiwan be part of it, or not? That is, that leaves both sides of Taiwan Strait's leaders to think about. Thank you very much.

**Moderator: Feng Zhu**

Thank you, Professor Yen. So, I am sorry to keep you waiting, sir. Please.

**David F. von Hippel**

No problem at all. I guess I find myself at a little bit of disadvantage here because I do come from a background that is different from many of the people around the table. And as such, I tend to focus on what Brad referred to as the "micro," and what Ralf referred to as the "functional" elements of cooperation building. And in my talk this afternoon, I am going to serve a way out, a number of functional elements in the non-traditional security areas: energy and environment, for example, where I think there is a number of opportunities even without an overarching framework to really get started on engagement and, or continue with engagement, and moving toward more of an integration.

But again focusing on the micro steps, there was one element that Professor Yen talked about that I really want to ask about, which is, he mentioned that there are programs and I couldn't figure out whether that was your organization that (is) doing or not, where there is a recognition that the relationship between China and Taiwan will to some degree get punted to the next generation? And therefore we want to have the next generation talking to each other already, in order to be set up for that. And I think that is a really broadly applicable mechanism in many of the topic areas that we look at. And I am just wondering what sort of an organization to that discussion you set up so far, what's worked for you, and what hasn't.

**Moderator: Feng Zhu**

Yeah, please.

**Tiehlin Yen**

Thank you very much for that question. I am really sorry I didn't make that clear in the first place. This program is happening; it will be held at the end of this month. It's a whole week program, hosted by the Institute of International Relations, Chengchi University. I am glad I am part of it. We invited ten PhD students from China side, includ-

ing students in Beijing University, Tsinghua University, and Fudan University. As well as we have ten PhD students from Taiwan, mainly from Taiwan University, and Chengchi University. The talk they are going to discuss is how to maintain this peaceful development in Taiwan Strait and looking down the road, ten-twenty years, we are asking them to formulate some kind of strategy or formula that we can make this kind of positive development in terms of peace and stability relations across the strait; how to do that and how to properly establish a mechanism, which is beneficial to both sides of Taiwan Strait, the people can get in touch with each other, down the road, forever. And then maybe next generation to solve the issue of political issues probably in next fifty years' time. Hopefully it will be sooner; but we understand, even though we have the connection between both sides has been closer and closer, but still misunderstanding. That's the reason why we want to get the future elites get together, to understand each other and talk about the future. That's what we are doing; and we hope that this kind of program will be continuing annually. So this is the first year; next year we're going to have another PhD students' getting together and hopefully we can continue doing that, down the road, ten years, at least, five years time. Thank you very much.

**Moderator: Feng Zhu**

Yeah, great, Professor Yen. Some of my students will also be joining you. Professor Yang, I think a scholar truly will be a good boost, not just for the understanding but also for some sort of very, in-depth talk and interactions. I truly believe that it will be very productive. Fu Xiao.

**Xiao Fu**

Thank you. I just want to briefly respond to Professor Yen. You mentioned in the past, nearly two decades, across-strait relations experienced up's and turn's. And I do believe that the people across the strait want to see peace and stability and development. I think since 2008 the relations across the strait has been back on the right track. And ECFA was a good demonstration. The next step, inevitably, would be the political dialogue. As you mentioned, it is a

hard job first. And I think in this respect, the think-tank can play a role. Like, two academic institutions can launch a second-track dialogue. The high-level officials, current, or the former, or experts, they can be invited to such dialogue on second-track in their private capacity. And they can discuss any issues for both sides to be interested in. And such dialogue can be informal, or close-door dialogue. And my foundation has similar, such kind of dialogue with the U.S. side like Brad's institution, Center for Strategic and International Studies. Our topic is strategic nuclear relationship. Such topic is very sensitive, if we conducted on first track. But on the second-track, the high-level officials, or the military commander, they were invited to the dialogue and we had a very good in-depth discussion. So maybe, I think we can copy such mode of the dialogue to start a political dialogue on the second-track. Thank you.

**Tiehlin Yen**

I am certainly sure (*sound muted*) and that's exactly what we're doing. In addition to what I just mentioned, we're going to have that program to put both sides of PhD students together. We're also thinking, well actually that's just concept development, although, thinking, that the IR can be served as platform to have both sides' military talk with each other; get into something like confidence building measures dialogue. It's nothing challenge to have. We're working on that, we're thinking, how can we do that with both governments' support? Dr. Fu-Kuo Liu, actually in Shangri-La Conference, last month, getting touch with the Chinese delegation and he had very positive response on this issue. I believe it's very promising in the future.

However, having said that, I really have to ask a question regarding Chinese's position on cross-strait confidence building measures, especially in military terms. In year 2008, President Hu Jintao talked about his six points, at the end of 2008. The six points talked about cross-strait, CBM but President Hu did not use CBM. He was using the terms like military safety, or security dialogue. In Chinese term, the "security" can be 安quan. But "安quan" in English, there are two terms: security and safety. So we are confused; what does that mean? What's in Hu Jintao's

mind? We all understand that both sides of Taiwan Strait and both leadership talking about the cross-strait dialogue, to start with economic, getting to the political, then military. The sequence goes like that. Everybody has a consensus. So, does President Hu want to sign a peace agreement, end hostility first, then both sides of military personnel can sit together and talk about the safety issue; or, traditionally, we've been thinking that CBM dialogue will go first, and eventually lead to the signing of a peace agreement and end hostility. So having heard President Hu Jintao talking about that military, security, military, safety talk that we are going to talk about. So we got confused. What's the sequence? Are we going to talk about signing the peace agreement first, then get into a military safety issue discussed? Or, the other way around? I believe that's one of the reasons that our government said that that's a long term kind of issue, we don't touch that. However, I have to emphasize that both sides of retired personnel have been getting in touch with each other very frequently. At the end of last year, several retired generals and ambassadors came to Taiwan and talked about CBM. We learn a lot from that conference. Also, we have a bunch of admirals and generals retired, went to Beijing and talked about CBM in Chinese National Defense University. I believe that's a positive development. But unfortunately, both sides of delegations, retired admirals, generals, at least from our side, I don't believe they have authority from our government, saying "you can go over there and talk about this," so that's a *(muted)*.

**Moderator: Feng Zhu**

Okay, thank you. So maybe we can just start over the Taiwan-related discussion. Shall I?

**Tadashi Yamamoto**

I don't think I can do that. I will be one of the moderators this afternoon on the East Asian Community, so I may be engaged in a propaganda a bit to say that it's going to be a fantastic session. But I would like to connect this session to this afternoon session, simply by citing what Ralf had to say, what you talked about was not really boring; it's very

much central issue, the functional issues, global health for example, is a issue now being talked about, by many different countries across almost ideological differences and so forth; I ran this dimension on the global health programs. Well that was picked up very eloquently, David, and you are going to speak in the afternoon session. And I think, really, I believe, and I think TJ's talk in Memo#6, about traditional and non-traditional security issues, and my own argument is that the non-traditional security issues have been becoming much more important in recent years. It will become even more so in coming years. I will really anticipate the building of a regional community because shared concerns can be tackled, of course, globally, but I think regional approach is very efficient, effective ways to do it. And then you have a community, by people working together on the same similar issues. That's what I wish to emphasize, at the end of the second session this afternoon. But I just wish to do propaganda beforehand.

**Ralf Emmers**

If I may quickly comment, by "boring" I didn't mean "unimportant" or "uninteresting." I just meant that by being more of a "technical" nature. They can become, as a result, less controversial, and therefore bring people in. And here, of course, is what the Eurocrats in Brussels have been focusing on. You know, focusing on issues which have a stronger technical dimension, which therefore can lead to stronger consensus. I didn't mean boring in the sense that they are not important.

**Moderator: Feng Zhu**

Okay, Daqing.

**Daqing Yang**

Actually, I would just like to pick up on Tadashi's point mainly. I think the title is "East Asia Community," but I wonder, after hearing all the brilliant discussions, we're actually talking about multiple communities. Depending on different functional areas, the community that may take shape may have very different geographical, spatial elements, membership. For example, the defense community

– it is impossible to exclude the United States. But at the same time, if you look at Europe, NATO does have the U.S. in it, and yet you have the EU. So they may not always overlap. And second, it may not have to be a “capital C” community. That’s my answer to President Lee. When I talked about “pre-modern” East Asian Community, it’s in the sense of a “small C,” a sense shared by the educated elites. I am in no way trying to say that this should be a future model to run the tributary system. I mean, that would become completely ridiculous. But, at the same time, we cannot deny that historical experience. And I think that experience is being rediscovered, not only by historians. South Korean high school is going to introduce a subject of East Asian History as elective subject for the first time. And this, I think reflecting a trend in the education system, which will affect the population as a whole.

**Moderator: Feng Zhu**

Thank you. Before President Lee responds to you, let me just invite Ambassador Chung; it’s a real ambassador, I think. So, would you like to say anything or make a comment, Ambassador Chung?

(Ambassador Chung declines the offer) Okay, thank you. President Lee.

**Sook-Jong Lee**

Because I am part of the organizer, I have a habit to push and try to generate some kind of quasi-conclusions everybody can agree. Otherwise, it will be very difficult to publish a report, out of our discussion.

Okay, because many participants are asking, what’s the purpose? Why there is this regional institution building? So let’s set aside community, because I understand community is a more refined, future stage of regional institution building that is going on today. For me, I think there are three purposes, or reasons that why Asian countries began to be actively forming regional institutions since 1990s. Number one, it’s more micro-level functional cooperation. At the more functional level, we have an endogenous problem: like resources, energies, and environment. You know, it’s naturally, because it assumes the geographic

proximity; it’s much easier to address and to find cooperation to resolve these endogenous problems. So naturally, the more issue is locally focused, I think it’s easy to find cooperation at this micro-level. That’s why we’ve been talking, and we’ve even been characterizing East Asian regionalism, as a function-driven, cooperation. I guess, I presume that many participants agree to this point. Second, “utility” of East Asian regionalism, it’s a political cooperation. Many already discussed, of course, we are meeting here and we cannot jump into conclusion or consensus. But nevertheless, there is a kind of trust building; for the trust building and confidence building, it is good, because Asian countries are very nationalistic and we have all these historical baggage to disagree or to oppose each other. So by just gathering together, I think it’s good, for the political socialization, trying to build the trust and confidence. So that’s the kind of region-specific political utility I seek. I think that is going on, and we will see quite a progress in that aspect. And third, utility is more governance related. I think this is rather tough; you know, all this global governance has been led by the West and more advanced countries. I think it’s very legitimate for Asian countries to participate and to try to contribute to reforming global governance; otherwise, all these efficiency, efficacy problems of global governance, legitimacy and democracy issues, and challenges of global governance wouldn’t be resolved. Of course, it should be region-inclusive; such as Middle East and African continent. But I guess East Asia, thanks to its phenomenal economic capacity, and economic development they have achieved for the past half century, I think the region deserves the global attention, as a stakeholder of the region, so to speak. And in that aspect, and also there is a kind of, if you look at all these summit diplomacy in Northeast Asia, I think there is a tendency that, especially between Japan and South Korea, they tried to find the cooperation, even bilateral cooperation at global level. So I guess by actively participating in global governance, we can detour the regional cooperation by participating together in global governance, such as development aid issues, you know, that kind of thing. I don’t know, if I just try to be conceptual, so the three kinds of utility exist, of

course, how we are fulfilling this utility is a matter of question and a matter of goals we have to put together our efforts.

**Moderator: Feng Zhu**

Thank you. We also have a couple of participants around the table who did not speak up. So, Jennifer, would you like to say anything? And John?

**John Schaus**

This is very fascinating conversation to listen to. The number of threads that are brought up, make it harder for someone who's relatively new to the group to contribute effectively. Just speaking from my position at CSIS, a lot of the themes that have been brought up, I think, sounds like Mike Green, Victor Cha, and the rest of our team that worked on our reports have been eavesdropping all these conversations. The overlapping institutions creating both challenges and opportunities, speaks to, I think, Brad's point of, "What's the purpose?" Each institution has its own purpose, which is both competitive and cooperative. And as Americans, we are, I think, enthusiastic about participating, but uncertain because of the flux that Malcolm brought up.

To get to your original question, President Lee. So this leaves to no conclusions on my part; but a great deal of more questions. So maybe by the end of the day I will become a little bit more educated. Thanks.

**Moderator: Feng Zhu**

Jennifer?

**Jennifer Lee**

I do apologize for not contributing much to this dialogue, because I am not really in the East Asian Community sector; I am doing mostly on North Korean economic stuff. But however, I did learn a lot; it was very useful and because I have lived in several Asian countries I think this is really important step to, you know. I don't know, while I live in the United States, you see the voice of Asia increasing over time, and as a Korean-American I feel proud, sort

of. So that's helpful, and hopefully, as John said, I hope to learn a lot more during the day. Yes. Thank you.

**Moderator: Feng Zhu**

Thank you. Jing Gu, would you like to speak up?

**Jing Gu**

Thank you. I come here in lieu of Professor Chu Shulong. I learned a lot from this morning's discussion. And I agree with many scholars here, and my research field is East Asian economic integration. The process is, as a lot of scholars mentioned, multi-tracked process, overlapping process. So maybe a new pattern for regionalization, maybe it will create a new rule to regional order. And economic integration is related to security, and something political in East Asia. It is overlapping issues. So it is far more complex than other region to establish a pattern, an economic integration pattern in this region.

Taiwan Strait conflict was concluded at ECFA. I have paid attention to it. It is very important, historic moment for the two sides. I think, after signing this agreement, Taiwan will gain a tangible way to participate in the regional integration in the future, in my opinion. Thank you.

**Moderator: Feng Zhu**

Okay, thank you. Now, last speaker is Brad. Don't talk too much. I am hungry. Please.

**Brad Glosserman**

No, I was going to be brief. Just a couple of quick follow-up points in response. For example, Professor Daqing, I mean, Professor Yang, we are talking about multiple communities and agree that they can coexist, except that we are talking about East Asian Community, which excludes the United States, by my definition. It has to; I think it's a good thing, on one level. My opposition, to the intellectual confusedness is not an opposition to this idea; I think it's essential. I am all for everything I am yelling about. But I think intellectual clarity is lacking. I think it's going to kill this process. And I think that leaves us all poor. All of us meaning all of us outside the room. So that's number one. Num-

ber two, functionalism, here's where it goes. I mean, that's, again, I think that's important; however, if we talk about "big C" community, and the notion of some sort of "w-ness" which I will take up later, functionalism ain't going to get it. It's not going to get public buy-in; it's too technical. Precisely, what gives Ralf the political cover to go forward, I think, undermines the popular buy-in, for precisely that issue. And that undermines, if you will, that keeps you from forming public foundation. And I don't know how you will solve that dilemma. Third, what's interesting to me is, I throw this bone out, because I want to be provocative, I think one of the most interesting components of the "plus three" process, is the way that it has the potential to empower South Korea. And I don't think anybody in South Korea has figured that out yet. In other words, as political and economic issue, you cannot match Japan and China. Just look at the numbers. You take up, however, functional, capacity-building, technical questions, South Korea holds its own. So it's precisely stability, so is ability to pursue the other components, the functional issues of the "plus three" process, that's where your comparative advantage is. Get out there.

**Moderator: Feng Zhu**

Yeah, Brad, I have to say truly, truly very relevant. I can't agree more. I think that's also some sort of new enthusiasm between the trilaterals, you know, just a momentum. So then if Seoul, Beijing and Tokyo would truly care to formalize the consensus, then we can join the hands for some sort of, whatever it is, is it just functioning? Or some sort of utility-based goal then? Yeah, it's a real hope.

**Malcolm Cook**

Isn't there a problem that the institutions that we have at the East Asian and Asia-Pacific level don't actually support functionalism? We have leaders, levels, meetings; there's no way they are going to continue, if all they are talking about is simple customs, harmonization, or standards get in together; why do you get leaders together and talk about, supposedly, big issues? So the nature of the organizations we've created to try to achieve this goal that goes against

what we've come out as the way to go forward, in many ways I think. Sorry to be a little bit of bummer.

**Moderator: Feng Zhu**

Okay, so I think the time is up. So we had a very stimulating, fantastic morning discussion. So now just join me to thank two presenters. Now let's go for lunch. ■