

The Flexible Nature of East Asian Integration and Australia's Engagement

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Outline

- Characteristics of East Asian Integration
- Factors?
- Explaining the nature of East Asian integration through Australia's Asian engagement policies
- Implications

The Characteristics

- Table 1 & 2
- Sector- & function-based integration
- Coexistence of bilateral & multilateral processes
- Participation of 'extra-regional' countries
- Flexible, inclusive & multi-layered nature

Factors?

East Asian countries are:

- searching for practical political and economic benefits;
- not tying themselves to any specific geographical areas in achieving benefits;
- using regional & extra-regional countries for balance.

Australia's Engagement (1)

From mid 1980s to 1990s

- Background:
domestic economic reform, 'Asian Miracle' and a liberal worldview
- Strategies:
Multilateral approaches,
'comprehensive' engagement with East Asia, 'Asia Pacific regionalist' strategy

Aust. Engagement (1)-cont.

- Mixed Results:
 - > Cairns Group and APEC initiatives
 - > Resolution of Cambodian problem
 - > Creation of ARF
 - > EAEG(C) and AFTA
 - > AFTA–CER linkage dialogue
- ‘Comprehensive’ engagement not really accepted by East Asia

Aust. Engagement (2)

Since the turn of the century

- Background:
Public fatigue & uneasiness, 'realist' worldview, Asian financial crisis, failure of multilateral approaches, 9/11
- Strategies:
Bilateral approaches, engagement based on concrete benefits, mutual respect & differences

Aust. Engagement (2)-cont.

- Results:
 - > Bilateral FTAs with East Asia
 - > Bilateral MoUs on Counter-Terrorism with ASEAN members
 - > Security Agreement with Indonesia
 - > ASEAN FTA restored
 - > Participation in East Asia Summit
- Bilateral approaches have brought 'unexpected' multilateral results

Why unexpected results?

- Australian side
 - > strengthened confidence in domestic political & economic institutions and national identity
- East Asian side
 - > need for better governance after the financial crisis & 9/11
 - > differed policy preferences
 - > ASEAN's intentions

Implications

At least for some time, East Asian integration:

- needs to have practical & realistic focuses (concrete benefits rather than a 'big picture');
- must be acceptable for East Asian (especially ASEAN) countries;
- allows functionally similar frameworks to coexist;
- can remain open to 'extra-regional' countries, as long as they find mutual benefits.

The nature of integration will make the geographical concept of 'East Asia' increasingly vague.

