The route to an East Asian community
By Yasuhiro Nakasone

In December 2005, a meeting of the leaders of the ten countries of the Association of Southeast Asian Nations (ASEAN) plus Japan, South Korea, and China took place in Kuala Lumpur. This was followed immediately by an East Asia Summit of sixteen nations, with the inclusion of Australia, New Zealand, and India.

These meetings were noteworthy for the fact that all of the participants addressed a common goal: the creation of an East Asian Community. Having adopted the common goal, or ideal, of creating a future community, the thirteen nations of northeast and Southeast Asia must now provide their citizens with a roadmap toward that future and indicate what they should do. Equally important is the need for the governments themselves to bear in mind that they must exercise a certain amount of moderation in their own actions in order to reach this final goal.

In the past, the development of ASEAN’s member states followed a staggered pattern, much like a flight of geese. This is no longer the case. Today, they fly as a group. In fact, trade figures for the thirteen nations of East Asia (ASEAN Plus Three -- Japan, South Korea, and China) show that intraregional transactions already make up over 50 percent of each country’s trade by volume. This indicates that the region’s evolving sense of economic unity is making great strides.

A major factor underlying this progress is the fact that East Asia is largely peaceful and safe, which allows governments and businesses to vigorously pursue economic exchanges. To keep East Asia stable, many countries in the region have concluded security treaties with the United States. I refer to the Japan-U.S. Security Treaty, the Republic of Korea-U.S. Mutual Defence Treaty, the Philippines’ treaty of alliance and Thailand’s special relationship with the United States, as well as the situation of Australia and New Zealand. These bilateral security arrangements have developed as a series of invisible power lines on the ocean floor all across the Pacific. The strength of these security guarantees is a driving force for stable economic progress.

Further, ASEAN itself has drawn up a Treaty of Amity and Cooperation which it has requested other countries to join; China and Japan are also participating. The treaty proclaims a partnership that is very close to an alliance. This is another element helping to maintain peace and security and promote economic prosperity.

Of course, an East Asian Community will not have the kind of integrated religious and cultural identity that the European Union (EU) has. It will face numerous difficulties. Because of this, we should proceed toward an East Asian Community by way of a multi-layered structure.

As a first step, we should create an East Asian economic cooperation organization. Since business and trade are dynamic forces that operate across national borders, a mechanism of this kind is already coming into being of its own accord. For instance, the nations of East Asia are concluding Free Trade Agreements (FTAs) and Economic Partnership Agreements (EPAs) among themselves. Japan has already concluded such agreements with Thailand, Malaysia, Mexico, and the Philippines as part of its efforts to create an economic bloc. Put another way, market mechanisms are underpinning the strong invisible bonds being forged by the region’s central banks, which are entering into cooperative relationships, such as in the Chiang Mai Initiative. These financial “swap” arrangements are giving rise to a strong sense of integration. From such relationships, a regional bond market is rapidly being developed.

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People-to-people cultural exchanges are also part of the motive force behind East Asian partnerships, but their main component is economic. Economic ties become stronger as a result of rather than a build-up of military or defensive power, it is far more important to ensure a sense of common destiny among the region’s nations and their people. Under the great roof of such a community, there can be any number of rooms.
The days when we could remain forever dependent on the US dollar are over. Thus, we should establish a cooperative framework while harmonizing with countries other than the thirteen members, partnering to some extent with the EU, and paying close attention to the North American Free Trade Agreement (NAFTA) and MERCOSUR, the South American common market.

As the next step, I am confident that the thirteen nations who form the organization’s inner circle will evolve a sense of common destiny; indeed, in this era of highly developed transportation and information technology, this could well require less time than it has taken to develop within the EU. An awareness of this shared destiny will be the single most important element in maintaining peace and security, far more important than military or defensive power. A shared vision of unity and purpose will provide momentum toward an East Asian Community. Thus, within the economic organization, we will see the maturation of a structure that will lead to a community of thirteen nations, the “ASEAN 10” plus the “Northeast Asian 3.”

In creating such a community, we must ensure that its character is appropriate to East Asia. That is, it must be imbued with tolerance, moderation, cultural pluralism, and flexibility. Under the great roof of such a community, there can be any number of rooms. Its members can form groups among themselves, but when we all gather under the community roof, ideally we will meet and join hands in a spirit of open-mindedness. Taking an approach that foresees a multi-layered structure, I believe it is reasonable to envision a process leading from an East Asian economic cooperation organization to an East Asian Community.

Yasuhiro Nakasone is the former Prime Minister of Japan.

Towards a bright future of regionalism
By Qian Qichen

The long evolution of globalization has delivered great progress to our world. The deeply rooted ideas of a market economy and market-oriented institutions have created miracles of technological innovation and economic prosperity unprecedented in human history.

However, the modern story of globalization has left behind heavy lessons. The vicious competition among nation-states triggered two tragic world wars, bringing catastrophe to humanity. Imperialist policies should be held responsible for these disastrous conflicts. Facing a new wave of globalization today, we ought to reflect on these historical lessons in order to prevent future misfortune.

In the process of accelerated globalization, we are witnessing the rise of new forms of regional cooperation. These developments—the eastbound enlargement of the European Union (EU), the making of the North America Free Trade Agreement (NAFTA), the establishment of the African Union (AU), and the enlargement and deepening of the Association of Southeast Asian Nations (ASEAN)—are prompting us to reconsider the role of regionalism in a globalized world. It is my belief that regionalization and globalization are parallel processes that are not in conflict; open regionalism is a necessary supplement to multilateralism. More significantly, I believe that regionalism can provide a suitable framework for responding to the challenges posed by globalization, and can pave the way for proper governance that can eliminate “beggar thy neighbor” competition among nation-states.

A number of factors contribute to the worldwide emergence of regionalism. First of all, countries involved in regional cooperation are geographically adjacent to each other and have intensive exchanges and cooperation on economic, social and political matters. They tend to...