



## **Geostrategic imperatives of the East Asia Summit**

by Eric Teo Chu Cheow

The inaugural East Asia Summit (EAS) ended Dec. 14 with the issuance of the Kuala Lumpur Declaration, a minimalist statement that appears to lack real substance. Touted as the economic “coming together” of Asia, it turned out to be more of a geo-strategic power play.

Instead of “bringing Asia together” and highlighting a nascent Asian regionalism (though the declaration mooted a future Economic Community), the summit may have divided Asia, as rivalry between the region’s two giants, China and Japan, increased and as their feuds (ranging from history and territory to economics and geostrategy) intensify. It could also prove to be a decisive moment for Beijing and Tokyo (as well as Moscow and New Delhi) in deciding their roles within Asia, as regional rivalry and competition increase.

The U.S. also loomed large over the summit and this growing Asian rivalry, even though Washington did not attend the meeting. The rapid rise of India in recent years has also made it necessary for ASEAN to confront reality and bring India into the mainstream of Asian regional integration; it will play a pivotal role in deciding Asia’s geopolitical future as well, especially with Washington vowing to “make” New Delhi a world power, presumably to counter and balance Beijing’s “rise” in Asia. Russia also made inroads into the region with the inaugural ASEAN-Russia Summit and with Russian President Vladimir Putin invited as an “observer” at the EAS, the first step toward joining it officially during the next round.

The EAS could thus represent the epitome of big superpower rivalry, which it was supposed to have reduced through its “open regionalism” concept. Moreover, the EAS divided Asia, as was made apparent by two key issues: the EAS’ relationship with APEC and Washington, and its future relations with the ASEAN Plus Three (A+3) framework.

After settling the issue of membership to this new “club,” the agenda of the EAS was in flux. Logically, the group should have been more attuned to economic issues than security ones, given the present serious and fundamental political divisions, like the Sino-Japanese feud. Some Chinese scholars and officials mooted the idea of the EAS being the “Asian coordinating grouping” of APEC (just as A+3, comprising ASEAN, China, Japan, and the ROK) grew out of the need for Asians to coordinate their positions in the runup to the first Asia-Europe Meeting (ASEM). There was at least one problem with this proposition: India is not a member of APEC and would probably need to join APEC for this logic to work!

Curiously, a senior Chinese official also did not rule out the eventual participation of the U.S. in the EAS, just as

Beijing could probably admit Moscow (already in Kuala Lumpur as an observer) to “balance” Washington in this particular case. This could effectively dilute the EAS. India would then have a hard time not allowing Pakistan into the fold.

More fundamentally, there is the question of the future relationship between A+3 and the EAS. The 13 A+3 countries already have intensified cooperation and linkages in almost all fields, which the three new members could join. There was speculation that the EAS could be considered an “A+3+3” grouping, which the Kuala Lumpur Declaration of the A+3 Summit had seemingly underscored by stating that the EAS would neither replace nor be an alternative to the A+3. India would probably be the most uncomfortable with this formula, as it would then be relegated to the “third circle” in Kuala Lumpur. In fact, the future relationship between the EAS (either as a “A+3+3” or “A+6”) and the current A+3 was probably one of the thorniest issues discussed in Kuala Lumpur, as Asian summiteers grappled with the significance of this “plus game,” which has been ASEAN’s favored domain since the official launch of A+3 in 1999.

Strangely, Malaysia, as host, appeared to have been more keen on promoting A+3 than its “baby,” the EAS. This swing in Malaysian priorities has been mirrored by parallel shifts in Beijing’s perceptions (it failed to land the second summit, given ASEAN’s insistence on being in the driver’s seat), as well as that of the newer ASEAN member countries, Vietnam, Cambodia, Laos, and Myanmar. On the other hand, Singapore and Indonesia have insisted that ASEAN must remain the first circle of cooperation within Asia, for fear of being “marginalized.” For its part, India came out as the greatest proponent of the EAS (given its initial insistence on even having a timetable to realize a pan-Asian Free Trade Area), as it sought to really “integrate” for the first time into East Asia as a “big power.” Despite the media hype, the EAS appeared to mark Asia’s “political coming of age and confidence” amid profound geostrategic imperatives, rather than a real economic renaissance or integration.

Doubts were raised in Kuala Lumpur whether a new Asian organization or community could be launched. Initial hopes and aspirations for a nascent pan-Asian Economic Community (AEC) appeared premature at Kuala Lumpur, and may have to await the next summit. Indian representations could thus have gone home disillusioned with the EAS, or even an AEC, wondering whether either would ever be launched with a “big bang”!

Many observers had initially seen the EAS as a sort of pan-Asian Free Trade Area (FTA) that would develop into an Asian Economic Community; others have mooted the possibility of building an Asian Energy Community, along the lines of the European Coal and Steel Community of the 1950s.

Energy cooperation was certainly high on the agenda, as Asian countries struggle to deal with current oil prices and the ensuing inflationary spiral that could slow Asian economic growth. An Asian Financial Community, based on the Chiang Mai Initiative (of currency swaps) and the nascent Asia Bonds Fund, was another idea that could have knitted Asia together effectively. Functional cooperation seemed to have won the day in Kuala Lumpur, though the immediate economic impact seems limited.

The real “bottleneck” in Kuala Lumpur was the Sino-Japanese feud, which became the highlight of the summit. Japanese Prime Minister Koizumi Junichiro tried to meet bilaterally with Chinese Premier Wen Jiabao on the margins of the summit, a bilateral that Chinese President Hu Jintao had denied Koizumi in Busan during APEC2005. Beijing then argued that the last Sino-Japanese bilateral in Jakarta during the April Bandung 50<sup>th</sup> anniversary commemoration proved futile, as Koizumi still visited Yasukuni Shrine Oct. 17. Moreover, the traditional China-Japan-Republic of Korea breakfast summit on the margins of the A+3 summit, was cancelled by Beijing this year, given serious unhappiness in Beijing and Seoul over Koizumi. No Northeast Asian summits or key meetings were thus held in Kuala Lumpur.

It is alarming that as economic and commercial relations intensify between the Asian giants (China and Japan), leaders of these two countries could not even talk to each other face to face, an abnormal political situation that is at odds with international trends today. It also brings into sharp focus the future roles of both Beijing and Tokyo within Asia, and the real danger for smaller Asian countries: they fear having to eventually take sides in this growing rivalry. As one symbol of this rivalry, Japan had pledged \$135 million to fight bird flu

regionally, as well as another \$62.5 million to assist ASEAN’s social, cultural, and educational needs. China appeared to have used its economic and trade clout to advance its already-dominant position within Asia, whilst seeking to reduce concerns about the “China threat.” As long as Beijing-Tokyo relations are not “normalized,” the EAS and whatever institution or organization it yields have little hope of taking off and Asia will remain split and “disintegrated.” Politics still prevails over economics (as Mao Zedong repeatedly said), and in Asia in particular!

Hopes that the EAS would bring Asian countries together, to “sleep in the same bed, even with different dreams,” were realized in Kuala Lumpur. Unfortunately, Asians may have to wait another generation to “come together” (as former Malaysian Prime Minister Mahathir Mohamed wanted with his East Asian Economic Group in the 1990s), as it is unthinkable that such a disparate Asia, with different and divergent geopolitical visions, could create a “new” Asian identity and vision today.

The dream of building “one Asia” has clearly become a victim of big-power rivalry that involves Washington, Beijing, Tokyo, New Delhi, and Moscow. Yet even if Asian integration proved elusive in Kuala Lumpur, there is some hope: the summiters agreed to meet every year for this big Asian spectacle.

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