

ASEAN'S POSITION AS THE DRIVER'S SEAT  
AND REGIONAL INTEGRATION/COOPERATION IN ASIA-PACIFIC

SILVIA MENEGAZZI <sup>★</sup>

ABSTRACT

This paper assesses to what extent the Association of South East Asian Nations (ASEAN) plays the 'driver's seat' role vis-à-vis regional integration/cooperation in the Asia-Pacific area. ASEAN was established in 1967 with the aim to form an anti-Communist bloc by uniting neighbouring countries together. In the course of the years ASEAN readjusted itself and it became a driving force for regional integration in the Asia-Pacific thanks to the establishment of different ASEAN-led initiatives, from the ASEAN Plus Three in 1997 to the Regional Comprehensive Economic Partnership (RCEP) in 2012. Over the last decades, scholars have debated how regional organizations should be studied in world politics, and to what extent ideational factors rather than simple material interests matter. Some suggested that in the case of ASEAN, specific cultural elements such as consultation among member states and decision-making based on consensus, that is the so-called 'ASEAN Way', would explain ASEAN's success and its capacity to lead the regional cooperation process in Asia-Pacific. This perspective is however challenged externally by the great powers game in the region and especially China's growing assertiveness, as well as, internally, by ASEAN's capacity to deal with the evolving security context constrained by the interests of the individual states within the region.

**Keywords:** ASEAN, Asia-Pacific, Regionalism, Regional Integration, ASEAN Way.  
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INTRODUCTION

We are witnessing the unprecedented relevance of the Asia-Pacific region in today's world politics. Economically, it is estimated that by 2030, Asia-Pacific will be responsible for the overwhelming majority (90%) of the

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<sup>★</sup> LUISS Guido Carli. Address for correspondence: smenegazzi@luiss.it.

2.4 billion new members of the middle class entering the global economy (Yendamuri 2019). Geographically, the so-called Asia-Pacific is that part of the world comprising the Western Pacific Ocean. More generally, it includes countries in Central and East Asia, South and Southeast Asia, and Oceania. The Asia-Pacific is a key engine for the global economy. This is because major emerging economies are part of this region, such as Vietnam, Indonesia, Philippines and Singapore. However, there is no fixed definition of the Asia-Pacific region as such, and its boundaries can vary by context. According to the World Population Review website, 47 countries are listed as part of the Asia-Pacific region, with China, South Korea or Bangladesh being among the most densely inhabited. Not surprisingly, the region is considered to be the most populated area in the world, with an estimated population of 4.3 billion. The interest in the study of regions has widely increased in recent decades in response to globalization and the transformation processes of state sovereignty. Such phenomena coincided with the fast evolution of regional projects in Western Europe in the 1950s, such as the establishment of the European Coal and Steel Community (ECSC), in parallel with the growing number of other established regional organizations worldwide, starting with, the Association of South East Asian Nations (ASEAN) in 1967.

Drawing on the significant debate concerning the study of regionalism and its theorizing in the field of international relations, this article seeks to question the relevance of the ASEAN organization to regional integration/cooperation processes in today's Asia-Pacific region. It is divided into three parts. Firstly, it considers the current state of the theory of regionalism, as discussed in the literature of International Relations (IR) scholars. In so doing, it not only recognizes the relevance and influence of the history and theories of Western-European approaches, but it emphasizes the impact that alternative, non-Western perspectives can have for those theorizing about the organizational structure and integrative mechanisms of regional integrations in the Asia-Pacific. Secondly, the article discusses and analyzes the key drivers in the process of regional institutionalisation. For this reason, it considers both the so-called 'Asian Way' (Higgott 2002), characterized by weak informal norms of consensus-based decision-making and non-interference, as well as established and substantial dynamics in different domains such as trade, economic relations and security issues that have been established through and by ASEAN throughout the decades. As such, this section of the article investigates the growing relevance of different cooperative frameworks operative in the Asia-Pacific region, from the ASEAN + 3 (APT), the cooperation framework established in 1997 with the People's Republic of China, the Republic of Korea and Japan to the ASEAN+6 (the former three plus Australia, New Zealand and India); from

the establishment of the ASEAN Regional Forum (ARF), the security platform in the Asia-Pacific established in 1994, up to the recent project for an East Asian Economic Community, a proposed trade bloc for the East Asian and South Asian countries that may arise either out of APT or the East Asia Summit (EAS). Thirdly, this article asks if, and to what extent, the history and organizational mode of the ASEAN project tells us something about the relevance and challenges of regional institutionalism in the Asia-Pacific region. If so, why is ASEAN resilient to crisis? And, to what extent it is not threatened by China's sphere of influence? In this context, the article also discusses the issue of regional leadership (as contested between ASEAN and China) and institution-building.

### 1. REGIONAL INTEGRATION IN ASIA-PACIFIC: HISTORY AND THEORY

On 8 August 1967, ASEAN was established in Jakarta, Indonesia, by five countries. These were: the Philippines, Malaysia, Thailand, Indonesia and Singapore – all major non-Communist states in the region. The primary reasons for the creation of the regional organization were of historical origin: (1) the commitment to support the peace process in Asia, which at that time was threatened by Cold War's dynamics; and (2) the need to counterbalance, indeed 'contain', the spread of Communism in the region (Lai and Lim 2007). For much of its early life, ASEAN was described as the anti-Communist bloc of Asia, given that four out of the five founding members (Philippines, Malaysia, Thailand and Singapore) were officially aligned with the West. In this context, the ASEAN Declaration, signed in 1967, arrived at the same time as the establishment of a regional organization was supposed to maximize the collective gains of its members, and more especially, to safeguard the political and security interests of the US in the region. Better known as the Bangkok Declaration, it is a two-page document containing the rationale for the establishment of ASEAN, its main principles, aims and objectives. The most important of these is the intent to pursue a community-building process on "small steps, voluntary and informal arrangements" (ASEAN Website).

As ASEAN became more confident about its place in the region's architecture, it developed an initiative to promote peace and security on its own terms. In 1971, ASEAN countries adopted the Kuala Lumpur Declaration and created a Zone of Peace, Freedom and Neutrality (ZOPFAN). To some extent, ZOPFAN represented ASEAN's first attempt to actively shape the region's security interests. ZOPFAN's main objectives were to guarantee the neutralization of South East Asia while stressing ASEAN's non-alignment posture in global politics. In contrast, Muthiah Alagappa (1991)

argues that the total reliance in ZOPFAN's neutrality concept has always been unfeasible within an anarchical region that has been significantly subjected to major power dynamics, and which it would have never survived without extra-regional agreements.

Arguably, the end of Vietnam war on the one hand, and the collapse of the bipolar world on the other, were the two geopolitical factors that enabled the gradual political upgrading of ASEAN cooperation. Despite the relevance of exogenous factors pushing for its establishment, in little more than 50 years, not only ASEAN's membership has doubled, but former enemies have now become friends, so that the number of members has risen to 10. Brunei joined in 1984, Vietnam in 1995, Lao PDR and Myanmar two years later, in 1997, and Cambodia followed in 1999. Mark Beeson (2008) has suggested that at least initially, ASEAN was not interested in promoting effective regional cooperation. This was because, at the very start, the newly independent states of Southeast Asia were largely preoccupied in promoting domestic economic development and internal political stability, in parallel with an intense process of nation-building, rather than promoting a real project for economic integration in the region. Therefore, when ASEAN was founded, there was little chances of its survival. Nevertheless, not only did ASEAN survive, but it functioned as a 'catalyst' for peace in the region, by keeping China engaged with the world in the 1990s and by counterbalancing its rise in the following decade. Economically, ASEAN has been able to provide an efficient platform for its members to discuss multilateral free trade agreements (FTAs), allowing the members of the organization to become one of the largest market in the world (Mahbubani and Tang 2018). But, sceptical of the real success of single member states in promoting the internal cohesion of the organization, ASEAN seems also challenging the extent to which Asian regionalism will survive in the future. For instance, the organization is still too weak to functions as a security provider in the region, that is, its influence in the South China Sea is limited and the arms race in the region is expanding. Similarly, China's growing assertiveness and a declining US are still underestimated issues that are threatening ASEAN's credibility in the eyes of the international community (Davies 2019). To conclude, there exist two majors, but competing, approaches to studying ASEAN and regional integration in the Asia-Pacific. While sceptics tend to highlight the major flows and several failures of ASEAN by citing the tangible benefits only with regard to member states, its proponents see political and economic benefits brought by ASEAN to the region (Stubbs 2019). For the purpose of this paper, the evaluation of both sceptics and proponents will be considered, in order to provide a comprehensive, yet hopefully unbiased framework, in which to understand ASEAN's developments and its relevance in the Asia-Pacific region.

Conventionally, scholars in the IR field have been concerned mainly with the study of regionalism in Europe and its relevant theories, such as federalism, inter-governmentalism, functionalism and neofunctionalism. However, this trend has changed in the course of the last two or three decades and today, the dynamic Asia-Pacific region, the regional integration/cooperation process and its mechanisms have all contributed to reducing the Eurocentric bias of the study of regionalism in the world. The reasons for this are theoretically relevant but also extremely quantitative in nature: the number of regional organizations has grown exponentially in the world since the post-Second World War period. As Telò (2006) has usefully explained, the debate on the study of regional political phenomena does not entail a denial of the extremely relevant role that states can play in international relations, global and regional governance; rather, it shows their changing behaviour within multilateral regimes and regional organizations in the context of the process of globalization. Furthermore, for Sbragia (2008), not only has regionalism “beyond Europe” become both a reality and a subject of study, but scholars interested in a particular geographic region of the world currently represent a separate professional community within political science. And yet, it was precisely the unprecedented success of economic cooperation, which occurred among European states in the aftermath of the Second World War, that led the Hungarian scholar Bela Balassa (1962) to theorize on the four stages of the perfect economic integration: (1) the establishment of a free trade area; (2) the transformation into a custom union; (3) a common market; and (4) full economic integration with a monetary union. Such a view has succeeded in influencing early debates on regionalism, studying the European experience and its integration processes for at least three decades. Nevertheless, as explained by Camroux, the major political difference between ASEAN and the EU is straightforward: the former remains only an inter-governmental organization while the European Union is also, on another level, a supranational entity (Camroux 2008: 8). Another key difference relates to economic integration. While the EU has adopted the euro as a common currency already twenty years ago, ASEAN member countries have different levels of economic development and therefore a monetary union as the final stage of economic integration it was an option discussed but never in fact adopted as a measure (ASEAN 2004). However, many of the regional integration initiatives in Asia have been inspired by the European Union (EU) experience, either in terms of institution-building or policy agenda. Almost 40 years after the establishment of the European project, the very onset of the Asian Financial crisis between 1997 and 1998 represented a political – and economic – breakthrough on a number of issues previously undiscussed, regarding regional integration in the Asia Pacific, as well as

a total paradigm shift for the analyses in the study of regionalism. More practically, these were represented by the significance of the importance that states' identities can play in region-building processes, as well as the catalytic impact on the regionalization of exogenous political and economic challenges emanating from the rapid growth of globalization (Higgott 2016). In essence, what became clear to scholars interested in the study of regionalism was (1) that institutions – and thus regional organizations – are more than just receptacles of the interests of states; rather, they often replicate the socio-political identity practices of its members; and (2) that the global impact of international political and economic events is part of the narrative of the region-building process in different parts of the world, rather than a consequence of such processes. Precisely, they (regionalism and globalization) are:

Conflicting, but at the same time linked to each other either in terms of deepening the globalization process as illustrated by the internal market, or as a defence against some of the effects – or as we have witnessed in recent years as an alternative when global solutions become hard to reach (Eliassen and Arnadottir, 2016).

Indeed, Higgott (2016) argues that there is a need to wider the discussion on the basis of the so-called framework of 'new regionalism'. This entails the recognition of the inseparability between *de facto* and *de jure* integration, that is, the distinction between regionalisation – a bottom-up process driven by market forces, private trade and investment flows – and regionalism – a top-down, state-led process defined by intergovernmental dialogues and treaties. Yet, the result also implies the reformulation of different forms of regionalism considering other elements beyond political and economic integration, such as instrumental or cognitive elements. Cognitive regionalism, in particular, defined as an informal process built on historical and emotional affiliation, but principally socio-cultural in analytical orientation, is extremely relevant to our understanding of ASEAN's development and the process of regional integration in the Asia Pacific. For this reason, Katzenstein (2000) rightly points out that regions do not exist as material objects in the world, but rather they are social and cognitive constructs rooted in political practices. In the case of the Asia-Pacific, Katzenstein (2000: 354-357) notes the extreme relevance of the initial articulation of a regional 'ideology' based on the relevance of the so-called Asian values that demand specific collective identities, rather than a precise geographic location.

Literature on identity and regional integration has a long tradition, as presented by Hettne and Soderbaum (2000), which gives a true overview of the relevance of the concept of 'regionness' to the study of regionalism.

From a general perspective, regionness is a necessary concept for studying and understanding the state of regionalisation in its various forms (Hettne and Soderbaum 2000: 4). More practically, it means that when studying the empirical path that allows a certain degree of cooperation within a region, one should consider the specific characteristics that exist beyond the mere political and economic dimensions. Therefore, one should also include the cultural and historical elements that a region possesses, or those related to identity. More importantly, one should consider why they are relevant to the process in the first place. Such an evaluation opened up a debate previously unknown in the literature, given that political, top-down approaches (regionalism) or economic, bottom – up perspectives (regionalisation) were the most accredited lenses through which the construction of regions had been studied until that point. This ‘identity turn’, which occurred in the study of regionalism, is particularly relevant to study ASEAN and its role in the Asia-Pacific.

According to Acharya (2001), ASEAN regionalism is a mixed process of interactions and socialization that occurred because of a shared identity-formation process that involved all its member states from the time of its establishment, and which could never be understood through mainstream international relations theories, that is, neorealism or neoliberalism. Therefore, we should not forget the fundamental principles contained in the Treaty of Amity and Cooperation in South East Asia (TAC), signed in 1976 by ASEAN members, which include: the mutual respect for the independence, sovereignty, equal territorial integrity, and national identity of all nations; the right of every state to lead its national existence free from external interference, non-interference in the internal affairs of one another; and the settlement of differences or disputes in a peaceful manner (ASEAN website). It is certainly true that both sovereignty and non-interference are embedded elements of the Westphalian paradigm. In fact, for a long time they explained the identity of European states, though they were challenged by the both the deepening and widening processes of the EU integration. In contrast many countries in Asia recently embraced the concepts of sovereignty and non-interference more in line with their historical past as colonial states – a factor that is still very much alive in their memories. However, there are some issues about which ASEAN countries agreed to delegate a portion of their sovereignty in favour of a more supranational context, as for instance with regard to environmental and economic issues.

With reference to identity-building processes and regional communities, Acharya (2001) noted three main contributions to the debate from constructivist scholars. First, is the cooperation between states as a social process redefining the interests of the actors in matters of war and peace. Second, is the relevance of norms in determining the interests and behav-

ious of states, but especially collective identities and social practices. Third, is the importance given to intersubjective practices such as ideas, culture and identities in playing a determining role in foreign policy interactions (Acharya 2001: 4). Simply put, there is a difference between rationalist theories, which take regions as pre-given entities identifiable through material structures and formal regional organizations, and critical scholars, who believe that all regions are socially constructed and hence politically contested (Soderbaum 2011: 14).

Representing a bridge between Western ideational perspectives in IR studies and non-Western arguments about theorizing world politics, Qin Yaqing (2016) questioned the extent to which culture matters in IR and how to recognize multiple cultures existing in world politics as the basic element to acknowledge a real ‘pluralistic universality’, when theorizing about the world. In his *Relational Theory of World Politics* (2018), Qin argues that the IR world is made of relations, rather than simple rationality, and actors base their actions on relations in the first instance. This is because “the logic of relationality entails that a social actor tends to make decisions according to the degree of intimacy and/or importance of her relationships to specific others, with the totality of her relational circles as the background” (Qin 2016: 37). More recently, Qin and Nordin (2019) have argued that ASEAN stands as the perfect example of how relational theory can let the logic of relationality works in empirical practice. ASEAN proposes an inclusive regionalism that can be considered typical of the so-called *zhongyong* dialectics – the Chinese approach in which the ‘self’ and ‘other’ are immanently dependent on each other for their existence (Qin and Nordin 2019: 606). Relations in practice are, therefore, at the very core of the ASEAN’s existence, as its relations include at least three concentric circles: a core circle comprising the 10 member states forming ASEAN; a second circle comprising neighbouring countries or ASEAN’s dialogue partners – including ASEAN+3, ASEAN+6, but occasionally Russia and the US, too; and a third circle consisting of other actors in the world (Qin and Nordin 2019: 608). On this point, Telò (2017:21) agrees that ASEAN was able to consolidate its ‘driver’s seat’ in the Asia-Pacific, particularly through its surrounding architecture of concentric circles: ASEAN+3, ASEAN+6, the East Asian Community (EAC) and the ARF. By shifting the focus from ‘actors’ to ‘relations’, the ontology exemplified by Qin stresses the unfolding process whereby relations create identities of actors and provide motivations for their actions (Telò 2020).

## 2. THE ASEAN WAY AND ITS RELEVANCE TO ASIA-PACIFIC REGIONAL INTEGRATION/ COOPERATION

While critical views and non-Western theorizing about world politics are extremely useful when analyzing the process of regional integration in the Asia-Pacific, significant attention in the field of ASEAN research emphasizes how specific characteristics, but more practically, identity-led elements, are relevant to understanding the growing complexity and institutional developments of ASEAN. The term 'ASEAN Way' is defined as a set of informal rules centered on the principle of non-intervention and consensus-decision making. To some, the concept has already become a norm defining the identity and intersubjective practices of ASEAN members, and it is formed by two main characteristics. The first is the indisputability of the sovereignty of ASEAN member states; the second is the fact that the principle of non-intervention and consensus decision-making are 'the' two factors extremely valuable to all countries that belong to the organization (Taku 2018: 299). The explanation for the emergence of the so-called ASEAN Way is related to four interlinked factors: (1) close interpersonal ties among ASEAN's founding leaders; (2) the expression of cultural similarities; (3) the regulatory norms of ASEAN and inter-states relations adopted by ASEAN members; and (4) the process of interaction and socialization that ASEAN has adopted since its establishment in 1967 (Acharya 1998:56). In this regard, we recall the ASEAN Charter, the constituent document adopted at the 13<sup>th</sup> ASEAN Summit in November 2007 and entered into force on 15 December 2008. The charter stands as the legal binding agreement that established, for the very first time, a spirit of community-building among ASEAN members. Because the charter had to be ratified by all member states, it represents an unprecedented commitment to the legal obligations and rights maintained by states in relation to the organization. Nevertheless, as we read in Article 2, two major principles stand out above all others: (1) respect for the independence, sovereignty, equality, territorial integrity, and national identity of all ASEAN members; and (2) non-interference in the internal affairs of ASEAN member states (the ASEAN Charter – Chapter 1:6). This is, in fact, the real strength of the ASEAN Way: because states such as Brunei and Thailand or Singapore and Indonesia are materially and territorially 'unequal', sovereignty as a principle has to be preserved at any cost, not only under international law but also through consensus among ASEAN member countries. More specifically, ASEAN's Treaty of Amity and Cooperation (TAC) of 1976 legally binds its signatory members both against forcible and non-forcible intervention, within a framework used to be based on loose and informal agreements rather than

legally binding documents (Seah 2009: 200). To conclude, the ASEAN Way tells us that – only when decisions are reached by consensus – sovereignty as a principle is preserved to all members. As previously mentioned, this is precisely what distinguishes ASEAN as an intergovernmental organization from other organizations, particularly the EU. For instance, the Qualified Majority (QM) procedure – which requires 55% of states voting in favour, plus the support of member states representing at least 65% of the total EU population – is in stark contrast with the ASEAN Way, and assures each member's sovereignty. Nonetheless, it should be noticed that the contemporary debate on sovereignty, which it has been a major point of contention among both jurists and political scientists, is multifaceted and thus subject to different interpretations. In this regard, the EU as a polity would be an explicative case of late sovereignty characterized by constitutional pluralism and a multidimensional order rather than by the good old concept of Westphalian sovereignty (Bartelson 2006: 468). Conversely, to ASEAN member countries the sovereign state is still defined as the dominant source of authority. This explains why within ASEAN, consensus-based decision-making still enables any member to veto proposals perceived as threats to the national interest. At the same time, the 'ASEAN identity' also influences how decisions are taken, considering that the practice of consultation in ASEAN assumes the existence of commonality and a sharing behaviour based on a 'we feeling' sentiment. According to Acharya, five specific components make up the ASEAN identity and these are nationalism, religion, cultural norms and mode of interaction, a modernist developmental state approach and regionalism (Acharya 2007). For instance, regarding ASEAN mode of interaction about consensus, the practice is based on the traditional Malay practice of *mufakat* (consensus). It is a specific practice reached through a process of *mushawarah* (consultation), which involves a strong sense of community, neighbourhood and friendship, as opposed to the individual (state) level. The essential element is that "arriving at a consensus involves the adjustment of each other's viewpoints" (Kim and Lee 2011: 958). Similarly, Rosemary Foot's analysis on China's positive appraisal for the establishment of ARF helps to explain why consensus is important for countries in Asia. More precisely, when joining ARF, China felt comfortable, since no country is singled out as being 'recalcitrant', and coalitions for supporters are not needed for voting sessions (Foot 1998: 428). Few can dispute the need to enlarge the comparative dimensions of regionalism between Asia and other parts of the world. Therefore, the fact that the 'ASEAN Way' was introduced by leaders in Asia as "a culturally-rooted notion, focusing on organizational minimalism, the avoidance of legalism, and an emphasis on consultations and consensus decision-making" gave rise to the fact that soft institutionalization is a condition for ASEAN's success (Acharya and Johnston 2009: 11).

One of the main features of the institutional architecture of the Asia-Pacific region is therefore the concentric circle exemplified by ASEAN and its relational actors. Based on such a model, neighbouring countries of ASEAN and dialogue partners maintain a kind of 'relational relationship' with the organization, in which cooperation and decision-making are discussed through consultation and consensus. An example of such approach is the ASEAN Consensus on the Protection and Promotion of the Rights of Migrants signed by heads of states in Manila, during the 31<sup>st</sup> ASEAN Summit on 14 November 2017. The document is considered to be a milestone for safeguarding and implementing the rights of migrant workers in the region, and is the result of extensive discussions, information-sharing and constructive negotiations held by ASEAN labour ministers since 2009. The informal nature of the regional consultation process is therefore guaranteed by consensus, along with the commitments of Asian leaders to follow specific norms and rules of behaviour that characterize ASEAN unity and solidarity. However, this tendency is in contrast with realist arguments, which believe that organizations epitomize only a state's national interests. Johnston (1999), for instance, asked why the ARF exists at all. The Forum, established in 1994, is a security multilateral platform held annually by ASEAN members and which defined ASEAN 10 'dialogue partners' (Australia, New Zealand, China, Japan, ROK, India, the EU, Russia, Canada and the US), plus North Korea, Papua New Guinea, Mongolia, Bangladesh, Sri Lanka and Timor Este. The ARF is characterized by a low degree of institutionalization and decision-making by consensus. Its main objective is to foster constructive dialogue and consultation on political and security issues of common interests among its participants, as well as to increase efforts towards confidence-building and preventive diplomacy in the Asia-Pacific. However, according to Johnston (1999), ARF was created in the first place because there was sufficient uncertainty about the regional security environment and enough *realpolitik* at play among its members. For this reason, the lack of consensus around security issues in Asia explains the low level of institutionalization in the ARF in the first instance (Johnston 1999: 290). Aside from Johnston's scepticism, ARF's historical experience and, more precisely, its failure to advance its three-stage vision (confidence-building, preventive diplomacy, conflict resolution) explains why the forum has, since its foundation, been often defined largely as a 'talk shop'. However, from a proponent's point of view, ARF has also become the only institutionalized platform through which common security issues about the Asia-Pacific are addressed, while also providing informal opportunities for leaders and elites to interact by building a bridge between track one and track two diplomacy (Weissmann 2012: 101). To some extent, stability in the region was guaranteed because of ASEAN's success in maintaining the

'balance of power', and avoiding 'great power dominance' in the region, where leaders such as Lee Kuan Yew and President Suharto, from Indonesia, prevented their countries from acting like hegemons in the organization (Zhang 2020).

The ASEAN Plus Three (APT) is also part of the envisioned concentric circle after ASEAN's 'core'. It was established in December 1997 in Kuala Lumpur when the Leaders of ASEAN countries and the three major economies of Northeast Asia, China, Japan and the ROK, decided to formally cooperate. Then, in 1999 with the first Joint Declaration the intent to promote long term goals to build an EAC was established. Twenty years have elapsed since then, and today the APT framework includes many areas of cooperation, especially economic and financial cooperation, and political-security and socio-cultural issues. While APT is complementary to ASEAN, today it has rather a complex structure: it covers numerous policy areas with different bodies, one summit, plus 14 ministerial, 19 senior officials, 2 directors-general, 18 technical-level meetings and 2 other track meetings. There are three main features that characterize APT. First, it is the first regional institution that has excluded the US as an official member; second, it is the only regional platform which, in the aftermath of the Asian Financial Crisis (1997-1998), envisioned the need to deepen economic and financial cooperation through the so-called Chiang Mai Initiative (CMI); third, throughout APT, ASEAN has been able to play a leadership role, indeed becoming the driving seat regarding the three big powers in North East Asia, China, Japan and South Korea, considering them as guests, or at least as secondary actors after ASEAN, when it comes to decision-making (Terada 2012: 365). In relation to ARF, Mark Beeson (2003) has suggested that even though regional initiatives in Asia have been constrained by a complex array of internal factors and exogenous variables, regional integration processes are historically characterized by a form of reactionary regionalism, "in which regional initiatives are designed to mediate and moderate external influence" (Beeson 2003: 251). Given that Southeast Asia has always remained a low US foreign policy priority, China has had the potential to become an increasingly dominant regional security and economic actor. To hedge against this possibility, Southeast Asian states, through ASEAN, have chosen neither to align with the US nor to explicitly align with China, but rather to support ASEAN's leadership role in the region.

The other relational circle after APT is the ASEAN Plus Six group – or ASEAN + 6 FTA – which includes the above – mentioned members plus Australia, New Zealand and India. The new group was launched at the East Asian Summit in 2007, with the strategic goal of increasing economic cooperation and helping to narrow development gaps in the region. On the same occasion, Japan made a proposal for the establishment

of an FTA among the 16 member countries attending EAS, the Comprehensive Economic Partnership for East Asia (CEPEA). Traditionally, two concepts of economic partnership have coexisted in the Asia-Pacific: CEPEA-ASEAN+6, proposed by Japan, and the East Asia Free Trade Agreement (EAFTA), proposed by China. However, these were perceived as two highly competitive projects for regionalism – as sponsored by Japan and China – therefore dismissed because of 2011 ASEAN's proposal for a more comprehensive FTA, the Regional Comprehensive Economic Partnership (RCEP). It currently includes 15 of the original 16 members, because of India's withdrawal in 2019. Prime Minister Narendra Modi expressed strong disappointment in the course of the numerous rounds of negotiation, yet different reasons can explain India's departure from the agreement, including its strong economic slowdown (an important trade deficit with most of the 15 RCEP countries), as well as Indian industries and farmers' fears about dumping behaviour from South Asian counterparts. Finally, is India's growing concern about China's global ambition and the competition that might arise in view of the size of the Chinese economy.

The spread of FTAs in the region is a result of the rapid economic growth of Asia-Pacific countries in the last four decades. On this perspective, scholarship has energetically debated where agreements are detrimental to the Asian's 'noodle bowl' – that is, overlapping FTAs, such as EAFTA and CEPEA – or beneficial, in terms of regional liberalization and multilateral economic cooperation. Among the most active countries in promoting the Asia's noodle bowl are Northeast Asian countries – China, Japan and South Korea. However, as illustrated in an Asian Development Bank Institute report, ASEAN remains the most aggressive actor in the region in terms of promoting FTAs with partner countries. At the forefront of the main reasons listed in the report are market-driven economic integration through trade, foreign direct investment (FDI) and the formation of ASEAN production networks, followed by the initial success of the European and North American economic integration projects in the 1990s, and the 1997-1998 financial crisis that clarified the need to deepen economic and financial cooperation in Asia (Kawai and Wignaraja 2009: 4, ADBI Report). In 2012, ASEAN completed different ASEAN+1 FTAs with China, Japan, Australia, New Zealand, India and South Korea. While this complex institutional framework confirmed ASEAN centrality vis-à-vis economic integration/cooperation in the Asia-Pacific, it also created a rift in the organization's relational structure, dividing states that either leaned either towards it were willing to join the US-led Trans-Pacific Partnership (TPP). More generally, the need to create a massive FTA among ASEAN+6 countries was confirmed by the fact that the proliferation of Asian bilateral FTAs, coupled with the persistence of non-tariff barriers, led to the fragmenta-

tion of a trade system but with a minimal impact of agreements in terms of trade flows. The RCEP is therefore the ASEAN Way to disentangle the noodle bowl, while harmonizing pre-existing bilateral FTAs in Asia (Dian and Menegazzi 2018).

At present there is an ongoing discussion on the proposal for an East Asian Economic Community. In December 2005, ASEAN's leaders, together with those of Japan, China and South Korea, announced their determination to build an East Asian Community to strengthen economic cooperation in Asia. Because APT is the only framework with more than a decade of experience, in terms of economic and financial cooperation – including the CMI and the APT Macro Research Office (AMRO) – it has been seen as the only realistic approach to guiding the establishment of an EAC. While the Plus Three Nations have always worked hard to build a stronger post-crisis East Asia regional economic community, this could also undermine ASEAN's driver's seat concerning economic regional integration in the Asia-Pacific.

With the emergence of the two key initiatives promoted by China – i.e., the Belt and Road Initiative (BRI) and the Asian Infrastructure and Investment Bank (AIIB) – the role of ASEAN as the driver's seat of regional integration, as well as its leadership, has been challenged once again. In Bali, on 2 November, 2011, on the Declaration of the East Asia Summit on the Principles for Mutually Beneficial Relations adopted by the Heads of State/Government, we read that ASEAN stands “as the driving force in the EAS working in close partnership with the other participants of the EAS”. The condition in which ASEAN finds itself after 50 years in existence is surely a complex one, characterized by at least two overlapping questions: whether ASEAN is resilient to crisis; and why it is not part of China's sphere of influence. It is certainly true that China's assertiveness in the region may pressure efforts to keep ASEAN's members united as a community. Despite China's promises, the fact is that Beijing is also envisioning a role for China as the driver's seat of economic integration in the Asia Pacific, if not the entire world. During the bilateral visit to Singapore in conjunction with the 51<sup>st</sup> ASEAN Foreign Ministers Meeting, Wang Yi, the Chinese Minister of Foreign Affairs, called for more decisive actions by the 10+3 countries “to promote free trade and firm resolution to uphold multilateralism, firmly push forward regional economic integration and build an East Asia economic community as well as an open world economy” (Xinhua 2018). Unsurprisingly, these initiatives regard not only the RCEP, but also the AIIB, the China-led Multilateral Development Bank. Hence, there is a debate about whether China itself is promoting the ASEAN driver's seat in the region, but also its own initiative as a truly global economic power.

### 3. ASEAN'S ROLE IN THE ASIA-PACIFIC: STILL THE DRIVER'S SEAT?

In the literature dealing with regional integration in the Asia-Pacific, an important debate among scholars is ASEAN's capacity to moderate the relations of great powers in Asia. According to Lee, this capacity is affected by both internal and external dynamics. On the one hand, the incapacity of great powers to overcome *realpolitik* behaviours and national interests (i.e., competition among Northeast Asian countries) allowed ASEAN to retain the driver's seat of regional integration. On the other hand, it is a matter of costs-benefits analysis: all ASEAN leaders simply recognize that it is in their interests to keep ASEAN's credibility working, because of the political and material benefits that this brings them individually (Lee 2010: 105). Furthermore, Southeast Asia location linking the Pacific and Indian oceans makes the Asia-Pacific a strategically vital region for the rivalry between the US and China. Underlying these dynamics explains why, despite difficult moments and growing scepticism about its effectiveness for regional integration in the Asia-Pacific, ASEAN has been able to maintain the driver's seat in the region. Yet, Evelyn Goh (2008) has usefully argued that the much-touted ASEAN-led regional institutions created in the 1990s have become important factors in studying the relations of great powers in Asia. However, to judge the real potential that such regional institutions possess also implies considering alternative variables, such as the increasing role China plays in the region and the extent to which this might affect US regional strategy (Goh 2008). The Asia-Pacific region today is experiencing a dynamic of power in which China's new assertiveness is pushing ASEAN to play a more proactive role regarding regional integration in the region, economically as well as politically. In the 2000s, China, as an emerging economic power, manifested its interests in formulating competing FTAs for broad market access both to World Trade Organization (WTO) members and non-WTO members. Then, in 2002, at the 6<sup>th</sup> China-ASEAN Summit, China signed the Framework Agreement on China-ASEAN Comprehensive Economic Cooperation. The agreement provided the legal basis for the more comprehensive agreement signed just eight years later, on 1 January 2010, and known as the ASEAN-China Free Trade Area (ACFTA). In 2018, the total volume of trade between China and ASEAN reached the record of US\$587.87 billion – overtaking the US for the first time since 1997.

In August 2019, the ACFTA Upgrading Protocol came into force, providing substantial changes to the original agreement concerning the simplification of rules for trade of goods, services and investments. Under the new amendment, the two parties are encouraged to undertake deeper economic integration in different sectors. This comes as no surprise, consid-

ering that China's trade war with the US has particularly tightened since 2018. Perhaps the clearest example of how ASEAN leadership role in the region has been challenged directly by China concerns the ongoing dispute in the South China Sea. In the aftermath of the arbitration in the Philippines case against China, Beijing did not accept the decision by the Permanent Court of Arbitration in The Hague in 2013, to rule in favour of the Philippines. Since the 1970s, the South China Sea has been a justification of competing claims concerning sovereignty by a number of different countries, among which are China and ASEAN member's states (a total of four out of ten). Without entering into details concerning the South China Sea dispute, China officially supported the role of ASEAN as a leader to promote trust and communication among the countries involved in the dispute. However, it has also lobbied single states with the intent to obtaining further support on its behalf. In 2002, China and ASEAN agreed on a Declaration on a Code of Conduct (COC) for the South China Sea, but negotiations and progress over a COC are today marked by little progress and substantial differences. Hence, it is precisely the same ASEAN Way that seems to be at stake, as well as ASEAN relational relationships, considering that China and its members are unable to reach a solution based on consensus and consultation.

## CONCLUSION

This article has investigated the ASEAN role as the driver's seat in regional integration in Asia-Pacific. It suggested that ASEAN's leadership role is not immediately at stake, but that such a status should not be taken for granted, considering ongoing economic challenges and geopolitical conflicts in the region, such as growing competing ideas about the future path of economic regionalism and its architectural structure, China's growing economic power in the Asia-Pacific, and ongoing security conflicts such as that in the South China Sea. This article also has also recognized that undoubtedly, Eurocentric perspectives in dealing with the study of regionalism should be held side by side with non-European theorizing about the role of regions in world politics. Such multicultural approach not only allow us to understand specific behaviours of non-Western states in international affairs, that is, why sovereignty and non-interference still matter to postcolonial countries (Qin 2018; Telò 2020 this issue), but the extent to which the development of multilateral institutions in the Asia-Pacific region may be viewed as an 'exercise' of identity building (Acharya 1997).

There is little doubt among scholars studying regions beyond Europe that history, culture or identity-related issues are fundamental premises for

understanding multilateral institution-building in the Asia-Pacific. But, one should also recognize that there is no sharp division separating East from West and that even though civilizations and civilizational processes are distinct, they are all embedded in a common global context (Katzenstein 2012: 209). In this regard, Asian countries are neither excluded from great power politics nor by the need for them to keep ASEAN's centrality alive just for their own safety and security. Unfortunately, as the above analysis has demonstrated, the China-ASEAN relationship is also 'ripe for rivalry'. For China's part, it sees the Asia-Pacific be the springboard that will enable regional leadership to be practised, while waiting for the real, global prominent role. In this regard, Beijing may not only have the interest, but also the material and ideational power to achieve such a goal. Nevertheless, the recent claim pronounced by Southeast Asian leaders "we reaffirmed that 1982 UNCLOS is the basis for determining maritime entitlements, sovereign rights, jurisdiction and legitimate interests over maritime zones" (The Guardian 2020) represents a significant shift in ASEAN's political narrative. By recalling the UN 1982 treaty, ASEAN member countries are opposing China's position to frame the South China Sea dispute only through historical basis. Such stance validates ASEAN's role not to act under China's sphere of influence but it repositions the organization more in line with the good old concept of Westphalian sovereignty, also due to Vietnam's chairmanship of the organization for the year 2020.

Neither China nor ASEAN want to see their relations go down the road of strategic rivalry. The Chinese President Xi Jinping has often called for the need to build a closer China-ASEAN Community, yet China's economic credentials and political manoeuvres in the region, that is, China's willingness to play a more proactive role within RCEP's rounds of negotiations, tell us a different story, which could also undermine ASEAN's centrality in the region. To this extent, it might not be the ASEAN Way, but rather the commitment and capacity to strengthen its regional relationality with neighbouring countries that will prove successful on enabling ASEAN to retain the driver's seat for regional integration.

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