

# Contest of wills between China and the US

**T**he sixth East Asian Summit (EAS) that will be held on Nov 19 in Bali, Indonesia, looks likely to receive more attention than the previous ones. The presence of US President Barack Obama, who will join the other 17 leaders representing members of the expanded EAS, will undoubtedly be the highlight.

But will this otherwise be another run-of-the-mill meeting of leaders, offering an excellent photo opportunity for the media but little else? What can we expect from the summit? Will there be tangible outcomes?

The EAS will certainly not produce a free trade agreement, at least not any time soon, but it still looks likely to emerge as the most important East Asian and Asean Plus summit (that is, including other non-regional countries). To appreciate its significance, we need to look beyond the carefully negotiated EAS Declaration and understand the potentially big differences that it can make to regional peace and prosperity, although these may not be apparent now.

The EAS began in Kuala Lumpur in 2005. In the aftermath of the 1997/98 Asian financial crisis, the

Asean Plus Three (China, Japan and South Korea) cooperation was established to expand economic integration and linkages among regional countries for higher growth and better ability to mitigate crises. A second separate track was established in Kuala Lumpur to include India, Australia and New Zealand in the Asean Plus Three, which is known as the EAS.

The mandate of the EAS is to serve as a forum for strategic dialogue on security, political and economic issues to promote "common security, common prosperity and common stability". It performs a unique function as a platform to discuss this combination of issues. Existing regional institutions are limited to cover only specific matters: Asia-Pacific Economic Cooperation (Apec) is for economics, the Asean Regional Forum (ARF) and Shanghai Cooperation Organisation (SCO) are for security while the Asean Plus Three is East Asian and primarily economics-driven.



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In its summit in Hanoi last year, Asean agreed to invite the US and Russia to participate in the EAS. The expanded EAS has generated heightened interest in Asia-Pacific and beyond. Among the things discussed has been how the new membership will shape the discussion and outcome of the grouping. In the past, Asean has always led the agenda, goals, modalities and logistics of those institutions it has created.

Chinese Premier Wen Jiabao reiterated that Asean should continue as the driver of the EAS. This is probably because it is the least powerful and threatening to China's national interests. So China is unlikely to come under pressure at the EAS gatherings.

However, it cannot now be taken for granted that Asean will still be in the driver's seat. The expanded EAS membership could challenge Asean's internal norms and practices, such as the principles of equality, consensus and mutual respect.



If the group's long-held principle of non-interference is changed, then we will see a different Asean.

The most debated and analysed aspect of the expanded EAS is the inclusion of the US, which represents something of a watershed for Asian regionalism. Much of this is due to the US's policy of renewed engagement with Southeast Asia under Obama. The long period of US disengagement with Asean, especially during the George W Bush administration, has led to the belief that this allowed China to take a leading role in Asean-led regional platforms. Hence the US's re-engagement with the region, specifically through the EAS, was seen as counter-balancing China's growing regional influence as a result of its economic and military rise.

The US wants to bring hard security issues to the table, including freedom of navigation — a subject that inescapably highlights China's recent actions in the South China Sea. Of course, this is resisted by China. Washington's participation makes perfect sense if the EAS is to achieve one of its prime objectives — to entrench peace and stability in East Asia. Much of this hinges, however, on the ability of all major powers, especially the US and China, to accommodate each other's interests and find sufficient cause to avoid a dangerous rivalry for regional leadership. The idea is to get all the countries at the EAS table so busily involved in cooperation, so intimately tied to each other's security and prosperity that conflict becomes not only unlikely but also downright unthinkable.

For its part, the US is aware that it has to tread carefully. Assistant US Secretary of State for East Asian and Pacific Affairs, Kurt Campbell, said: "It is extraordinarily important if the US is to be successful when we come in that we listen, we join the culture that is already established and that we recognise our role as the newcomer."

Although it is getting less attention, Russia's presence in the EAS is also geopolitically important, especially for Northeast Asia. Russia is a key energy source for Japan, China and South Korea — it opened its Eastern Siberia Pacific ocean oil pipeline in January 2011 and Asia's hunger for resources could see more investment in Siberia.

Russia's foreign policy during Vladimir Putin's presidency was marked by "Asianisation" and the EAS may be used fully for this purpose if Putin becomes president again. Russia wants to demonstrate that it has a stake in East Asia and

that its voice and perspective deserve consideration. Increasing economic links with the region through the EAS is the first step in this direction.

Asean will need all its diplomatic skills to set the EAS agenda with the presence of four established or emerging superpowers — the US, China, Russia and India. Some of these powers may attempt to move the discussion beyond the usual niceties and "safe" functional areas of cooperation to more complex and contentious issues. Some countries

would prefer to keep the discussions focused on relatively non-controversial topics, saying that the EAS should establish confidence among the participating countries before bringing more contentious issues to the forefront. But the same argument has hobbled progress in other Asean-led forums.

Clearly, a fine balance needs to be struck. Common ground can easily be found in the current five priority areas of the EAS — finance, education, energy, disaster management and avian flu prevention. At the same time, the countries in the EAS must realise that issues cannot be indefinitely swept under the carpet, not if they want the summit to achieve its promise. And that means taking steps towards cooperation on issues such as maritime security.

The issue of South China Sea is never far from the surface but will the EAS be bold enough to put on the table the regional code of conduct as a means to peaceful resolution to the dispute?

The US would like to add to the traditional and non-traditional security agenda by including humanitarian assistance and disaster relief, peacekeeping operations and counter-terrorism. China, on the other hand, is very much focused on promoting economic growth and is lobbying for more infrastructure connectivity, which is consistent with the Asean Connectivity Master Plan and a critical component of growth.

The EAS fills an important gap in the regional architecture. It is a strategic forum for confidence building and conflict prevention. Its success will be judged by its ability to bring peace and stability, which are the foundations for the region to prosper and become a global growth centre. However, it is unlikely that the EAS will be able to make decisions that are binding on its members — in the way the G20 can.

Unlike the Asean Plus Three mechanism, which produced the Chiang Mai initiative and Asian Bond Market, there has been less progress on EAS financial cooperation. The current global financial turmoil will be discussed in the EAS meetings, but do not expect the EAS to offer concrete solutions.

However, it would be foolish to dismiss the EAS as another talkshop. The engagement of Asean with its major partners will change the regional landscape. The EAS will be an important voice in the next generation of cross-border issues — disaster mitigation, climate change and food security — and may moderate the competitive forces in Asia-Pacific. The future is about cooperation and collaboration, not contestation and conflict. And here, the EAS fits the bill. E

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