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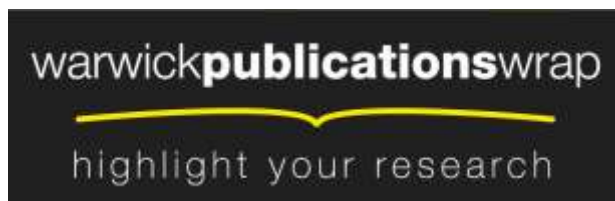
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BRINGING MITRANY BACK IN? TOWARDS ASIAN REGIONAL FUNCTIONAL FUTURES

Shaun Breslin* and Jeffrey D. Wilson^

* Department of Politics and International Studies, University of Warwick, UK.

shaun.breslin@warwick.ac.uk

^ Asia Research Centre, Murdoch University, Australia.

j.wilson@murdoch.edu.au

ABSTRACT

In the early years of the 21st century, Asian regionalism is at a cross-road. While the region is home to a broad array of multilateral organisations, the record of these bodies in fostering effective and legitimate cooperation has been decidedly weak. Drawing on insights from the work of David Mitrany on international cooperation, this paper contends that the key problem facing Asian regionalism is a predilection for ‘top-down’ rather than ‘bottom-up’ regionalism strategies. This top-down strategy has involved efforts to find a single institutional design for regional cooperation (similar to the experience of Europe), which has been hindered by geopolitical rivalries and a lack of shared consensus around what constitutes the ‘Asian region’. By considering the contours of inter-state competition in Asia, the track record of its existing regionalism efforts, and insights from comparative regional studies, it is instead argued that Asia’s future is one of *regions* rather than a single region. As Mitrany suggests, the unique geopolitical context in Asia means that functionally-discrete and variegated strategies are likely to provide a more effective basis for regional cooperation. Indeed, trends towards such a functional approach to regionalism are already becoming evident in Asia today.

KEYWORDS

Regionalism, East Asia, ASEAN, ASEAN+3, East Asia Summit, Asia-Pacific, David Mitrany

INTRODUCTION

For David Mitrany, the search for the most appropriate parameters of any international organisation should be driven by a single principle – form follows function:

“The essential principle is that activities would be selected specifically and organized separately – each according to its nature, to the conditions under which it has to operate, and to the needs of the moment.” (Mitrany 1966: 70).

The parties involved, the way in which the organisation functions, and even the lifetime of the institutional arrangement should be defined solely by technical and pragmatic considerations of what needs to be done to achieve the desired cooperative goal. As the varied nature of transnational interdependence means that no two issues were likely to require the same form of organisational response, the result should be a set of very different institutional arrangements built around functionally discrete objectives:

“The varied nature of the problems to be dealt with seems to require an equal flexibility in administrative structure and methods. The worst thing we could do would be to try to force these international arrangements into some general mould, to give priority to form over performance, or to press for action before the need for it is generally accepted.” (Mitrany 1945: 2).

Yet it is such a top down search for a general mould that has guided regionalism initiatives in Asia. At times, these initiatives have been driven by the search for pragmatic solutions to shared

problems during crises. The development of the Chiang Mai Initiative after the Asian Financial Crisis (Stubbs 2002), and moves to strengthen China-Korea-Japan financial cooperation during the Global Financial Crisis (Ciorciari 2011) are two cases in point. But in more ‘normal times’, great power competition and geostrategic considerations have instead come to the fore, producing intense rivalries between regional governments that have undermined efforts to build robust regional cooperative schemes. Indeed, it has also resulted in competing visions of what the region actually is, or should be.

Comparing Asian regionalism to the experience of Europe reveals the challenges posed by great power competition. In Western Europe during the Cold War, intense historical geostrategic rivalries were put aside as the existential threat posed by the Soviet Union came to dominate security strategies. In the process, geostrategic considerations created two regional spaces on either side of the bipolar divide, supported and sponsored by the two global hegemonic powers. Within each of these two European regions, there remained some separation between the regional security and economic spaces – not everybody in Western Europe, for example, joined the ECSC or the EEC. But the security and economic spaces were in a broad sense synchronised insofar as geostrategic competition created the ‘we’ and the ‘other’ that established the parameters within which regional economic institution building took place. The expansion of the European economic space to include former members of the opposing socialist bloc could only occur once the geostrategic logic of competing regional spaces was concluded with the end of the Cold War. Once more, the parameters of potential regional institution building were constructed by changing geostrategic logics.

In contemporary Asia, there is no such symbiotic relationship between the regional geostrategic space on the one hand, and the (potential) regional economic space on the other. Historically, the region has been divided along a number of geopolitical and ideological fault lines, not only between the socialist and capitalist spheres as was the case in Europe, but also within them (such as China-Vietnam and Indonesia-Malaysia conflicts). Moreover, in recent years the economic and political rise of China

has driven new divisions in Asia: ‘regional leadership’ contests between China and Japan (Dent 2012); security rivalries and mutual suspicion between the US and China (Chase 2011); and territorial disputes in the South China Sea involving many claimants (Buszynski 2012).

Geopolitically, this means the task facing Asian regionalism is herculean in comparison to that seen during the European project. In Asia, the goal is not to build two different and oppositional regional spaces on either side of a bipolar security divide. If the socialist states of China and Vietnam has simply remained external ‘others’ that occupied different regional spaces, then the challenges to region building would be much diminished. However, the fact that both have embraced the global capitalist economy – and in the case of China, became an extremely important regional economic actor – means that the goal is to construct a workable and effective regional space that spans these divisions. Rather than facilitate the creation of a regional economic space, in Asia competing geopolitical aims and objectives get in the way.

As such, and drawing on insights from Mitrany, this paper argues that Asian regionalism initiatives will proceed in two simultaneous directions. On the one hand, we will continue to see largely ineffective efforts to establish preferred grand regional projects by the region’s major powers. These powers will attempt to build large multilateral organisations – of which the East Asia Summit is the most recent incarnation – but geopolitical competition means that these are unlikely to establish *effective* governance mechanisms. On the other hand, and as Mitrany suggests, we are likely to see the ongoing evolution of multiple forms of ‘functional’ regional collaboration focussed on specific issue areas. While we cannot ignore the former, it is the latter that provides the real basis for effective regional governance. This suggests the search for a once and for all single definition of the Asian region, and a corresponding regional organisation embodying this definition, is not only misguided but counterproductive. Asia’s future is not one of a *region*, but variegated *regions*.

EUROPE'S PAST IN THE STUDY OF ASIA'S REGIONAL FUTURE

Europe remains a central part of any study of comparative regionalism. Not only is it an obvious example of a regional project with a relatively long history of both successes and problems, but it has also been most influential in generating theories that explain regional integration. Through its external actions and partnerships with other regional groupings, the EU has also actively advocated regional integration as a means of promoting development and solving transnational problems in other parts of the world (Murray 2010). There are good reasons to suggest that the European experience deserves to maintain a privileged position in comparative studies.

Nevertheless, there is much talk in the literature on regionalism about 'the Europe problem' (Warleigh-Lack *et al.* 2011). The key question is whether the EU case is *sui generis* or generalisable – are theories developed to help explain what happened in Europe transferable to different settings? Put another way, are they general theories of regional integration *per se*, or more simply of European integration, with other theories needed to explain very different processes of integration elsewhere (Rosamond 2000)? On a slightly different level, Murray identifies a form of 'integration snobbery' in the promotion of EU-style regionalism as a model for others to emulate – the idea that there is something superior about the nature of European regionalism compared to regional projects elsewhere (Murray 2010). This snobbery either generates, or is built upon, a problematic assumption that regional types will eventually converge towards an ideal European-type. It also overlooks the fact that not just Europe's history, but also European objectives, might be very different from those in other parts of the world. It further leads to the conclusion that less-institutionalised types of regionalism – particularly those seen in Asia – in some way fall short of attaining 'proper' region-hood as exemplified by Europe.

Nonetheless, the history and evolution of European integration is important for understanding Asian regionalism for three reasons. First, it reminds us that the European Union did not emerge fully

formed. Rather it was the result of many years of interactions, and the evolution of different institutional forms – from the European Coal and Steel Community of 1951 (initially little more than a sectoral trade and investment agreement) through to the recent creation of a “legal personality” for the EU and a stronger role for the European Parliament in the 2009 Lisbon Treaty. To explore what the European experience might tell us about the prospects for Asian regionalism, there is little point in comparing Asia now with Europe now. The majority of Asian countries have far shorter (and radically different) histories of statehood from those of Europe, and some Asian countries are only now beginning approach western developmental levels. Thus, rather than searching for an ‘Asian EU’ (or bemoaning its continued absence), it makes more sense to examine the more limited and bottom-up cooperative arrangements emerging in Asia today, and compare their patterns of trajectories to those seen in the earlier stages of European integration.

The second point of importance is the existence of regional elites in Europe that were prepared to push for the creation of regional institutions (Haas 1958). Crucially, there was a clear rejection by European elites of the desirability of punishing the losers of the Second World War, as had happened to Germany at Versailles in 1919. This punishment, so the argument went, had been a cause of continental instability and given rise to a more belligerent and nationalistic Germany (Fritzsche 1999). Out of what we might call enlightened self interest politicians such as Robert Schuman, Jean Monnet and others sought not to impoverish and punish the new West Germany, but instead to seek to cooperate by establishing “a common High Authority” to oversee coal and steel production in Europe. While this may have laid the foundations for economic unification later, its immediate objective was to ensure that “war between France and Germany becomes not merely unthinkable, but materially impossible” (Schuman 1950). This suggests that understanding regionalism in Asia not only requires attention to potential common interests in the region, but also the beliefs and attitudes of state elites as to what forms of cooperation can best realise these interests.

Third, we come back to the issue of finding the correct spatial ‘fit’ between economic and geopolitical regions (Young 2002). In Europe during the 1950s, regionalism was critically aided by the cohering influence of the Cold War. There was an urgent need to collectively act to address perceived threats from the Soviet Union, active support from the United States to promote regional cooperation, and a strong conception of ‘us’ and ‘them’ based on a capitalist/democratic identity. As a result, Cold War bipolarity not only created a desire to build regional cooperation mechanisms, but also a correlation of different conceptions of ‘space’. Put simply, the European economic space more or less coincided with the geopolitical security space. This does not mean that all European countries came together immediately and stayed together on all issues – far from it. Some countries decide not to join regional organisations and instead pursued alliances with non-regional states (for example, the initial response of the United Kingdom). Some also tried to maintain their dominance in European institutions by excluding outsiders – as de Gaulle arguably did when the United Kingdom first sought to join the formal regional project. But by establishing a shared sense of region-ness, geopolitical concerns were nonetheless a *positive spur* to establishing functioning institutions that eventually evolved into the contemporary European project.

‘COMPETING TO COOPERATE’¹ – FIGHTING TO DEFINE THE ASIAN REGION

It is this fundamental starting point for regionalism – a shared acceptance of what the regional space is, or should be – that is presently absent in Asia. While the Cold War no longer divides Asia, lasting patterns of geopolitical competition, particularly between the major powers both within (China, Japan) and without (United States, Russia) the region continue to characterise its international relations. These complex patterns of interstate rivalry have complicated regionalism by creating leadership struggles,

¹ A term recently used by Thomas Moore to describe regional dynamics in Asia (Moore 2007).

which have seen these major powers each advance competing initiatives and projects that reflect their preferred vision for Asian regionalism. The consequence has been the multiplication of top-level regional organisations – including Asia-Pacific Economic Cooperation, the Association of Southeast Asian States, the ASEAN Plus Three, the ASEAN Regional Forum and the East Asia Summit – with overlapping and incommensurate memberships, agendas and modus operandi. Organisational competition between these bodies has created a fractured institutional landscape in Asia, with deleterious effects for the coherence and effectiveness of regional governance efforts.

Bipolar divisions associated with security alignments are one of the major sticking points for Asian regionalism. Despite the end of the Cold War, the Asian security architecture remains dominated by a structure of Cold War origins: the American-led ‘hub-and-spoke’ alliance system comprising the US and its regional alliance partners (Japan, Korea, Philippines, Australia and Thailand). This historical legacy poses two major difficulties. First, the majority of governments are outsiders in the region’s main (bilateral) security arrangements, which has led the Chinese and Southeast Asian governments to instead place priority on multilateral institutions such as the ASEAN Regional Forum (Tow and Taylor 2010). Second, China perceives the US alliance system as not only exclusionary but potentially threatening, and has engaged in a range of balancing strategies (both ‘soft’ and ‘hard’) against US regional influence. This has led to a fundamental disagreement about the best locus for regional cooperation. The US and its alliance partners have favoured the broad ‘Asia-Pacific’ conception of the region embodied in the East Asia Summit (Camroux 2012); China has instead preferred the narrower ASEAN Plus Three design which excludes the US (Breslin 2010); while ASEAN states have made their participation in regional initiatives conditional on others acceding to the principle of ‘ASEAN Centrality’ (Amador 2010). Defining the dimensions of the Asian security sphere in large part depends on whose security interests are being promoted.

In contrast, if we consider patterns of economic interdependence in Asia, the shape of the regional space looks quite different. Here, the problem lies not the absence of China but rather its central position, and questions over what leadership role this should entail. As a consequence of its ‘market socialism’ and ‘open door’ economic reforms since 1978, China has not only grown rapidly, but also become deeply integrated within the regional economy (Breslin 2007). China has become a major player in many transnational production networks in Asia – particularly in the textiles, consumer goods and electronics industries – and by emerging as the region’s leading manufacturing and assembly powerhouse has irrevocably changed the ‘international division of labour’ in the region (Gaulier *et al.* 2007). Economic interdependence between China and the region is now very deep, with China accounting for 10 percent of the ASEAN Plus Three’s trade, and the group 25 percent of China’s, in 2012 (ADB 2014). In short, China’s economic rise has changed the understanding of the regional economic space, and of which countries needed to be included in any attempts to build effective solutions to shared economic challenges.

This understanding of a changing (economic) region gained urgency during and after the Asian Financial Crisis. While China has hitherto shown little interest in regionalism, by the late 1990s the extent of its regional economic enmeshment meant the need for good regional relationships were increasingly realised by its leadership (Wang 2004; Ye 2012). China became a proactive advocate of regionalism, albeit a specific understanding of it – one that did not include the US, and in which China could exert considerable influence. The ASEAN Plus Three (Japan, Korea and China) grouping soon became the preferred institutional vehicle for top-level regionalism efforts in Asia. Economic cooperation in the wake of the Asian Financial Crisis loomed large in its early efforts, catalysing the establishment of the ASEAN Plus Three summit from 1997, before leading to the Chiang Mai Initiative (CMI) – a network of currency swap arrangements designed to increase the region’s *internal* capacity to respond to financial crises – agreed in 2000 (Stubbs 2002). Indeed, the ASEAN Plus Three involved

a cognitive sense of we-ness, or at least ‘not them-ness’, insofar as it involved rejecting or resisting the imposition of ‘Western’ neoliberal policy preferences that were widely blamed for the crisis (Higgott 1998).

However, once the urgency of responding to the crisis wore off, geopolitical concerns reappeared. The position of Japan became a major challenge, particularly given its rivalry with China for regional leadership (Dent 2012). While Japan was initially wary of getting involved with the CMI and the ASEAN Plus Three concept, it reluctantly did so in order to prevent China establishing a regional structure that it could lead without Japanese presence (Stubbs 2002). But rather than see a narrow East Asian region coalesce around China leadership, alternate ‘hedging’ strategies were also undertaken. At the bilateral level, Japan began aggressively pursuing free trade agreements with partners in Asia, a decision heavily influenced by concerns that it might be ‘left behind’ in the wake of similar efforts by China (Solis and Urata 2007). At the multilateral level, Japan also promoted a wider conception of the Asian economic region that included Australia, New Zealand and India as counterweights to putative Chinese leadership (Watanabe 2005), leading to the formation of the East Asia Summit. Despite some initial displeasure, China would ultimately accept the enlargement of Asian regionalism implied by the East Asia Summit, albeit while publicly maintaining the new body was subordinate to the ASEAN Plus Three (Camroux 2012).

The East Asia Summit was subsequently expanded to include Russia and the US in 2011, by which time its membership roughly coincided with an ‘Asia-Pacific’ vision not dissimilar to that of APEC. While the inclusion of Russia might sound like a victory for China, and of the US for Japan, it arguably also reflects a successful Chinese attempt to neutralise the East Asia Summit as a competitor to its preferred model. As one Chinese thinker explained in private, if the East Asia Summit is going to exist, then best to have as many members as possible within it, including competing major powers like Russia and the USA. This will make it little more than an occasional regional talk-shop – effectively,

an APEC-lite. In this respect, both the ASEAN Plus Three and East Asia Summit can be thought of not as regions as such, but instead as ‘anti-regions’ promoted by regional powers in order to prevent competitors’ conceptions of the region becoming dominant.

INSIGHTS FROM COMPARATIVE REGIONAL STUDIES

The trajectory of regionalism initiatives in Asia shows that a search for a top-down approach to regionalism is likely to continue to fail. Competition between incompatible visions for how to define the regional space makes it unlikely for a basic consensus to emerge over the parameters for a single regional model. Thus, if Asia needs to look towards for new strategies for regionalism, what ingredients are critical for achieving effective, legitimate and durable institutional designs? Building on insights from the ever growing body of comparative regional studies, two recent research projects considered the ways in which regional environmental and security governance were organised across the world (Elliott and Breslin 2011; Breslin and Croft 2012). By looking outside of Asia – not for an external ‘template to follow’, but for insights on what factors support (and undermine) efforts elsewhere – these comparative studies can help illuminate strategies for developing more effective regional governance arrangements. Given the broad diversity of case studies, it is perhaps not surprising that the overarching conclusion of these comparative studies was the diversity of different forms and experiences. However, there are four collective conclusions that have directly relevance to the Asia experience.

The first concerns *legitimacy* – the notion that regionalism initiatives must not only be effective, but also be perceived as legitimately representing the interests of involved states. The regional level is often seen as a way of protecting the region from the diktats of the global, particularly where the global level is seen as representing the interests and goals of certain hegemonic powers. For example, the

presence of China in the Shanghai Cooperation Organisation makes the body more legitimate in the eyes of Central Asian members fearful of Russian influence, as it means it cannot be dominated by Russia (Cottey 2012). Similarly, the ‘cooperative security’ approach adopted by the ASEAN Regional Forum – based on multilateralism, informality and normative rather than legalistic constraints – reflects a desire to establish regional security mechanisms independent of the influence of the United States (Katsumata 2012). The contested effectiveness of these security bodies notwithstanding, this sense of “not-them-ness” demonstrates that *legitimate* regionalism often involves doing things independently and not being controlled by hegemonic powers.

The second is that the *attitude of major powers* towards regional solutions is a major determinant of whether they are put in place, and if so to what extent they work. Regionalism is not democratic – there are clear power asymmetries within any region, and the political expectations and interests of major powers are often a key factor influencing the shape and extent of regional cooperation. An absence of clear leadership can doom regionalism from the outset. As Ehteshami (2012) argues, one of the reasons that there is no great push for regional level governance in the Middle East and North Africa is quite simply because is that there is no regional power promoting it. Conversely, Russia’s determination to lead has driven attempts to build security cooperation in the former Soviet space (Cottey 2012). India’s leadership role in South Asian regionalism exhibits both dynamics: it has been a major driver of regional environmental governance efforts (Swain 2011); yet in other policy areas its leadership has been resisted by other states who perceive it as an attempt to extend influence over its neighbours (Svensson 2012). In the Indian case, we see that leadership and legitimacy factors are inextricably linked, in some cases mutually reinforcing while in others working at cross-purposes. The presence of committed major powers can aid regionalism when their efforts are perceived as legitimate, but may face difficulties if perceived to be an attempt to extend hegemonic control and/or influence over others (Mittelman and Falk 1999).

The third is the *importance of crises* in prompting the search for regional cooperation. For example, the Asian Financial Crisis of 1997-98 was catalytic in positively disposing Asian governments towards regionalism, in large part due to resentment at the way US-dominated international financial institutions responded to the crisis with unpopular austerity measures (Higgott 1998). As a consequence, Asian governments established the Chiang Mai Initiative in 2000 – which was designed to build a greater level of regional capacity to address financial crises without reliance on (external) global institutions (Stubbs 2002). Similar forms of ‘crisis politics regionalism’ are observed across the globe: the role of terrorist and separatist threats in advancing the Collective Security Treaty Organisation in Eastern Europe (Cotter 2012); a range of domestic and transnational security crises prompting regional security governance efforts in South America (Flemes and Radseck 2012); or the role of recurrent food crises in driving regional environmental initiatives in sub-Saharan Africa (Compagnon *et al.* 2011). Crises are often required to create and sustain the political momentum necessary to foster regional cooperation.

Fourth and finally is the extent to which the spatial domains of different issue areas are *coterminous*. There is often a mismatch between the most effective locus for economic, security or environmental governance, with regional institutions designed for one area simply too big or too small to be appropriate for others. In Asia, for example, there is considerable sub-regional diversity in environmental challenges (such as in the Mekong basin) (Elliott 2011), which fit poorly into a regional architecture based on much larger institutional designs. By contrast, the EU’s Common Security Defence Policy defines a ‘security space’ that greatly exceeds the organisational dimensions of the EU itself, reaching as far as Indonesia, the Horn of Africa and Palestine (Howorth 2012). Moreover, in South Asia the existence of a regional institution – the South Asian Association for Regional Cooperation (SAARC) – makes it very difficult to find effective solutions to any shared problems at all. As Svensson argues, because SAARC exists regional issues tend to get pulled into it, and as a Cold

War style polarity dominates the organisation member states typically take opposing sides even when they would benefit from cooperation (Svensson 2012). The spatial domains of regionalised issues may correspond poorly to existing regional organisations, with deleterious consequences if these organisations alone are relied upon to foster effective schemes for cooperation.

THE MISGUIDED SEARCH FOR A FEDERAL SOLUTION IN ASIA

These insights from comparative regional studies collectively point towards what Mitrany called the “federal fallacy” – the mistaken attempt to try to create a single comprehensive and overarching institution for intergovernmental cooperation (Mitrany 1965: 127). Adopting a top-down approach – that starts with the creation of a regional organisation and then attempts to fit regional issues within it as they arise – is unlikely to lead to flexible, legitimate and effective outcomes. Indeed, if we consider the range of regionalism initiatives in Asia today, it is clear that many of their shortcomings can be understood as symptoms of a top-down approach to region-building.

One reason that Mitrany thought that federal regionalism was an all but impossible task lay in the sovereignty-consciousness of small states. Any attempt to establish rules-based intergovernmental organisations involves a conflict between the principle of equality among states on the one hand, and the “actual predominance of the Great Powers” on the other (Mitrany 1966: 103). It was the latter that Mitrany saw as the major driving force behind federal-type regional institutions – which serve the interests of the strong by locking-in inequalities and power asymmetries. This would lead smaller states to be very wary about ‘surrendering sovereignty’, reduce the perceived legitimacy of federal-type organisations, and lead to minimalistic institutional designs with little capacity to substantively promote cooperation. However, small states might be willing to pool sovereignty on a case by case basis to realise joint goals, as it would mean they could simply keep out of any arrangements that they

didn't wish to participate in without obstructing cooperative efforts in other domains (Mitrany 1966: 163). Problems of sovereignty-consciousness mean that top-down regionalism initiatives will rarely be preferable to functionally-driven bottom-up alternatives.

To be sure, Mitrany's concerns regarding the sovereignty-consciousness of small states seems to have been in part misplaced. A number of smaller and developing states have been very willing participants in regional organisations dominated by major powers. The aforementioned importance of hegemony, and differing responses to it (bandwagoning, balancing, etc) have played an important role in convincing some smaller states that the benefits of collective action within a region are worth the cost of weakened sovereignty. Similarly, small states' participation in regionalism has been aided by the calculation that tying an economy to a larger and more prosperous one through regional organisations is not just a means of ensuring growth in its own terms, but also a route to greater and/or continued participation in the wider global economy (Bowles 1997).

Nevertheless, and as Mitrany feared, regionalism in Asia is replete with examples of top-down cooperative initiatives hamstrung by sovereignty concerns. The most remarked upon of these is the so-called 'ASEAN Way' – a set of cooperative norms characterised by consensus decision-making, an aversion to formal rule-setting, and an overriding preoccupation with the protection of state sovereignty (Acharya 1997). These developed in the early days of ASEAN as a response to the internal security challenges and deep geostrategic rivalries between the member states (Narine 2012; Stubbs 2008). Many regional governments face continuing difficulties in maintaining national cohesion in the face of dissatisfied ethnic groupings and/or secessionist forces, and the continuation of some regional states in their current form is not taken for granted (as illustrated by the independence of East Timor). Sovereignty therefore remains such an important and contentious issue in the region, reinforcing the appeal of the ASEAN Way norms. However, these sovereignty-protective norms have severely constrained the ability of ASEAN to move beyond basic dialogue activities towards rule-based forms

cooperation – in areas as diverse as environmental (Elliott 2011), security (Katsumata 2012) and economic cooperation (Webber 2010). As Acharya has argued, while the ASEAN Way norms have helped build trust between players, they are also demonstrably of “limited effectiveness in dealing with issues that engage fundamental national interests” (1997: 332).

Even if the sovereignty concerns facing federal-style regional organisations could be overcome, Mitrany doubted they would be effective sites of governance. Mitrany’s basic argument is that because such organisations come into being through formal legal treaties, they are by their nature inflexible – with fixed membership, rigid institutional practices, and formally-defined understandings of what issues fall within (and outside) of the organisation’s scope (Mitrany 1966: 155-6). Such a formal approach to regional cooperation does not allow organisations to deal effectively with the changing circumstances that face even its own members, let alone others who have been left out of the grouping. Indeed, Mitrany’s prioritising functional over federal approaches to institution-building was not justified out of ideological preference, but because the alternative “constitutional way would have been too difficult” (Mitrany 1996: 58). In addition to the problem of rigidity, these constitutional groupings were built on what he referred to as “dogmatic” principles – either ideological or geographic – which are unlikely to be effective at dealing with every transnational issue (or indeed, perhaps any).

In Asia, the inflexible application of top-down principles across diverse spheres of cooperation is the direct consequence of ‘ASEAN Centrality’ – the practice wherein all regionalism initiatives in Asia are based around the ASEAN grouping in some way. ASEAN Centrality is driven by the fact that most regional organisations were established as ‘outgrowths’ of ASEAN; that the ASEAN Charter commits its members to promote the centrality of the organisation externally; and that other regional powers (particularly China) are relatively comfortable with its informal norms and practices (Amador 2010; Stubbs 2008). The consequence is that the ASEAN Way has increasingly become the ‘Asia-Pacific Way’ (Acharya 1997), and norms of informality and sovereignty-protection dominate most

regional bodies (Narine 2012). But while the ASEAN Way may serve the needs of its parent, its utility in other regional domains is questionable. For example, the principle of ‘voluntary multilateralism’ embodied in both APEC and the East Asia Summit has proven a major obstacle to recent attempts at energy cooperation (Wilson forthcoming). Similarly, sovereignty-protecting norms have limited security cooperation in the ASEAN Regional Forum to confidence-building measures, despite a growing acknowledgement (including by the members themselves) of a need to move towards preventative diplomacy efforts (Weber 2013).

In terms of geography, federal-style regionalism also presents difficulties in adapting to variations in the spatial scale of collective interests. While Mitrany did see regionalism as one locus of potential transnational governance, the principle of functionalism meant that regions are only one of many possible levels at which intergovernmental cooperation should develop. To take European transport cooperation as an example: while coordinating railways would suggest a continental focus, maritime issues entail cooperation with the US and North Africa, and air traffic governance suggests a global scale of regulation. The key, therefore, is ensuring that regional cooperation is coterminous with the issues it seeks to address by adopting different spatial scales for cooperation in different issue areas:

“Instead of keeping up the old and barren attempt to establish a formal and fixed division of sovereignty and power, a division which changing conditions continually puts out of joint, we would with a little insight and boldness distribute power in accordance with the practical requirements of every function and object.” (Mitrany 1966: 84).

Unfortunately, such old and barren attempts at fixing a single spatial scale for regionalism are common in Asia. In some domains, the region has been defined too narrowly. For example, while

efforts to promote trade liberalisation might be best located at the level of the ‘Asia-Pacific’ given regional economies deep trade ties to extra-regional partners, the bulk of recent free trade agreements have been between countries with relatively low trade volumes (Dent 2010). Conversely, some regional issues are referred to bodies arguably too large to be effective, of which APEC’s attempts at promoting trade and investment liberalisation provide a classic example. APEC has consistently failed to achieve its liberalisation targets – most notably its 1994 Bogor goals – in large part due to the organisation’s broad and heterogeneous membership, which is characterised by countries with markedly different developmental levels, geopolitical alignments and appetite for trade liberalisation (Bisley 2012). These difficulties indicate that much of the challenge to effective regionalism in Asia lies in finding the right spatial fit for particular issue areas, which in many cases may align poorly with the geographic boundaries of the region’s existing intergovernmental bodies.

TOWARDS FUNCTIONAL ASIAN REGIONALISMS?

Where to, then, for Asian regionalism? It is clear that Mitrany’s plea for geopolitical concerns and grand institutional designs to be put aside has not been heeded in the region. The significance of geopolitics is certainly not unique to Asian regionalism – as noted early in this paper, favourable geopolitical considerations provided an important overarching framework in which the European project was built. But the geopolitical environment in Asia acts against, rather than for, efforts to develop schemes for regional cooperation. It is within this context that this paper suggests that the strategies of the major powers in Asia – and beyond Asia we consider the United States – are a high profile side show to the real business of building regional cooperation. Their strategies of promoting competing federal-type intergovernmental organisations are in many ways caught in a path dependent trap. Because they have been proposed, it is difficult to back down from them for fear of being seen to

have been outwitted. And once a body is proposed and set in motion, regional states will then want to join in even if it is simply to stop their adversaries stealing a march and dominating the region.

Of course, it is relatively rare for international bodies to dissolve themselves unless they collapse in abject failure – for example, as the League of Nations did after failing to prevent the slide into the Second World War. It is therefore likely that the East Asia Summit, ASEAN Plus Three, APEC, the ASEAN Regional forum and perhaps new regional ‘grand strategy’ initiatives will continue to exist as forums for high level summitry. Debates over how to define what constitutes the region, and how such definitions favour the interests of certain players, will continue to characterise (and internally divide) these bodies. As a result, they are likely to have little impact on the establishment of functioning, legitimate and effective cooperative mechanisms.

But these grand strategies should not be assumed to be the only regional game in town. At a functional level, Asia is replete with smaller-scale initiatives that have already led to actual working regional cooperation. Asia is replete with functionally-discrete and smaller-scale in the economic sphere – albeit often the result of top-down initiatives rather than being the bottom-up phenomenon that Mitrany preferred. In finance, the combined effects of the Asian and global financial crises have led to a recognition of the need for deeper financial cooperation between regional governments – evident in the establishment of the Asian Bond Market Initiative of 2003, the Chiang Mai Initiative of 2000, and the latter’s recent ‘multilateralisation’ in 2009 (Ciorciari 2011; Rethel 2010). In trade, difficulties advancing liberalisation through large organisations (such as the World Trade Organisation) have seen many Asian governments negotiate comparatively ‘easier’ bilateral free trade agreements with key partners during the 2000s (Dent 2010). ASEAN also promotes an extensive range of functionally-driven cooperation initiatives under the broad umbrella of its ‘ASEAN Economic Community’ initiative, hosting ministerial-level policy dialogues on issues as diverse as agriculture, telecommunications, energy, transport, finance, and tourism (see ASEAN 2014). All these initiatives

are evidence of Asian governments ‘getting on’ with regional cooperation – at varied spatial scales seen as legitimate and appropriate – without an overarching regional organisation to guide the process.

Functional cooperative initiatives in Asia are also multiplying outside economic affairs. In the security sphere, the 27-member ASEAN Regional Forum has become the preferred site for multilateral dialogue on security concerns, cutting across the geopolitical divisions inherent to all other regional bodies (Katsumata 2012). In the health domain, the outbreak and regional spread of Avian influenza since 2003 resulted in a series of technical cooperation and information sharing efforts between the governments of the ASEAN Plus Three (Thomas 2006). In the environmental sphere, both Southeast and Northeast Asia are home to a wide array of environmental protection initiatives, particularly focussed on tropical forests, coastal and marine environments, and transboundary haze pollution (Elliott 2011). To be sure, critical analysts rightly point out limits to the effectiveness of these initiatives, associated with informal approaches that prioritise dialogue activities. This is closely related to the sovereignty-consciousness of involved governments, which has seen each focus on low-cost information sharing activities at the expense of ‘deeper’ and more impactful forms of cooperation (respectively see Weber 2013; Hameiri 2014; Elliott 2011). However, far from invalidating the functionalist approach to regionalism, these experiences affirm its essential superiority. Asian governments *are* sovereignty-conscious when it comes to regional cooperation, and functional initiatives which can be designed in ways sensitive to these concerns stand a far better chance of being seen as legitimate and consistent with state interests than top-down federal style alternatives.

Demonstrating the potential value for Asia of a Mitrany-esque functional approach to regionalism not imply an uncritical endorsement of it. On a practical level, the strategy requires a level of expertise and technocratic capacity that does not always match the reality in developing economies – particularly given the stark ‘development’ gap between ASEAN’s original and newer ‘CMLV’ members. On a normative level, Mitrany thought that politics and politicians were too often the

problem rather than the solution. As they tended to prioritise short term narrow national interests and national(ist) constituencies rather than searching for long term collaborative solution to shared problems, competition and war had come to characterise international relations instead of cooperative and common security. For Mitrany, the solution was to take the responsibility for finding transnational solutions out of the hands of politicians and leave the ground free for functional specialists to come together to work out the best technical solution. And of course, this meant different groups of technocrats based on the specific issue at hand.

Yet this call to ‘depoliticise’ transnational interactions was in itself ironically highly political. Removing the influence of nationalist sentiments from policy making is wholly understandable given the consequences of nationalism for conflict in twentieth-century Europe, and potentially for twenty-first century Asia. Nevertheless, it is also elitist, anti-democratic and highly unrealistic – particularly given patterns of economic nationalism deeply ingrained in many Asian countries (D’Costa 2012). And as we have argued in this paper, functional cooperation in Asia is not just the result of bottom-up processes, but can also result from top-down intergovernmental interaction. So rather than take Mitrany’s functional approach as an “off the shelf” guide for how to build effective regional governance in Asia, we instead see it as an entry point that helps us think again about the potential of alternatives to grand regionalism initiatives.

In sum, this analysis suggests the search for a single regional space in Asia is flawed. Following Mitrany, the argument is that the nature of the region not only *does* change on an issue by issue basis, but indeed *should* change. Equally, the form of cooperative initiatives should vary across different issue areas, in order to ensure legitimacy and manage the political differences between states. To be sure, these functional initiatives might eventually lead towards a federal approach to regionalism, as was the experience in Europe. But if the European-style regional integration is considered appealing for Asia, it is best to concentrate on not what Europe has become, but instead how it started and the process by

which it arrived there. This suggest that doing what works best on a bottom up case by case basis – building *functional regions* – will be far more effective than trying to create a single *federal region* in a top down manner. Let cooperation create the Asian region, not the other way round.

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