

mative framework.<sup>44</sup> Such an avenue of research may very well yield dividends. As previously discussed, minus an external balancer, East Asia is not capable of balancing China. Moreover, the existence of an external balancer is, historically speaking, a relatively recent phenomenon. Given that the vast majority of East Asian history has taken place within a unipolar system, it is possible that regional norms have developed in such a way so as to be tolerant of a powerful China.

While Kang implies that a more constructivist approach to understanding regional dynamics might be called for, another option may be to utilize balance-of-threat theory as articulated by Stephen M. Walt. However, Walt's framework represents more a starting point than a definitive answer. Of his four determinants of threat (aggregate power, proximity, offensive capability, and offensive intentions), only one — the lack of perceived offensive intentions — argues in favor of the absence of balancing that we see today. Bearing this in mind, appraising the relative salience of these four threat indicators and the breadth of their applicability may constitute one particularly constructive avenue of inquiry for those seeking to understand what the future holds in this "Pacific Century." **PEAR**

## INSTITUTIONALIZING EAST ASIA: SOUTH KOREA'S REGIONAL LEADERSHIP AS A MIDDLE POWER

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*Most of the analysis trying to understand East Asian integration in recent years has focused primarily on the study of bilateral FTAs or the ASEAN process as the center of gravity for regionalism. However, after the Asian Financial Crisis in 1997-1998, the ASEAN Plus Three process involving Japan, South Korea and China was consolidated. This is just one example of how the focus of regionalism for the first time became East Asian wide, and the potential new center of gravity for regional institutionalization shifted to the northeast region. Institutionalization is a novel practice for policymakers in this region, particularly in the most advanced and developed economies of Northeast Asia. The focus of this paper is on South Korea, which is taking a very proactive role in regional affairs, especially when it comes to the building of regional institutions and the creation of regional governance. Foreign policymakers in Seoul have been busy in recent years with positioning the ROK as the hub for Northeast Asian regional integration, trying to establish South Korea as a bridge between the two traditional competitors for leadership and influence in Asia: Japan and China. As a major power in the region, South Korea appears to have the capacity to take up a leadership role, particularly in regards to the institutionalization of Northeast Asia. The main purpose of this paper is to determine the impact of South Korea's on the processes of institutionalization in Northeast Asia. By looking at the foreign policy choices and the approach to regionalism of current and previous administrations, the impact appears to be positive.*

### Introduction: East Asian North-South Institutional Gap

The construction of an East Asian Community, as a long term goal, cannot be realized in the absence of strong political will and leadership, which must stem from the institutionalization of cooperation among the regional power and big-

gest economies of NEA, namely China and Japan. However, due to historical differences, rivalry, competition and even some territorial disputes among the two, South Korea — as the other most advanced country in the region — appears to have the capacity to affect these processes and take up the leadership vacancy; hence forming a bridge between the two Northeast Asian powers and also helping to reduce the institutional gap between Northeast and Southeast Asia. The first question that arises is why China or Japan would want South Korea to assume leadership responsibilities in terms of regional institutionalization. China, Japan and South Korea's economic interdependence due to increasing intraregional trade — plus a series of transnational common problems that require their collective action — makes the need for institutionalization of regional cooperation an objective reality. Nevertheless, in light of the differences and mistrust that prevails between all the parties, Beijing and Tokyo appear to feel more comfortable dealing with Seoul. From a Chinese point of view, they also share with the Koreans a conflictive relationship with Japan due to Japan's imperial history. On a citizen level the perception of Japan and the way it has dealt with the history remains mostly negative in both countries.<sup>1</sup> From a Japanese perspective, the ROK is considered part of the same side, since both countries are US allies, democracies and they both prefer a more open and pro-Western approach to the region.

In this sense, this paper argues that the Republic of Korea — understood as a middle power — should be considered a leading actor in the processes of regional institutionalization in East Asia. What are the particular characteristics of its leadership role and its approach to regional institutionalization? In which ways have these been manifested in the past and in recent years? These issues will be addressed by looking at the relationship between the particular kind of regional leadership exerted by South Korea and the institutionalization processes of East Asia from an inter-governmentalist perspective. This approach derives from both neo-functionalism and neo-institutionalism. It shares with the former the emphasis on economic interests as the principal driving

force of regional integration, which coincides with the latter on stressing the importance of regional institutions as the means to achieve and secure integration. However, it differs from earlier approaches as it gives a central role to national governments.<sup>2</sup> Therefore, it is relevant to distinguish between the different types of regional processes. Regionalism refers to the conscious and deliberate attempts by national states and governments to create formal mechanisms for dealing with common transnational issues through inter-governmental dialogue and treaty, and the creation of regional governance as an outcome of this. By contrast, regionalization is conceived as an undirected process of growing interdependence that originates in the actions of individuals, groups and corporations rather than through the deliberate actions of national governments.<sup>3</sup> These two types of processes are not mutually exclusive, and many see regionalism as a response to regionalization.

Regional institutionalization is at the core of that transition and particularly in East Asia it is better understood from an inter-governmentalist perspective since the issue of sovereignty remains a contentious point in the region. This happens because most models of regional institutionalization, particularly those followed by European nations, imply a considerable amount of sovereignty delegation onto supranational entities. In East Asia that “intellectual leap over more bounded notions of sovereignty”<sup>4</sup> has not occurred despite the high degree of economic interdependence, and indeed it is unlikely that East Asia will follow the European model of “sovereignty pooling.” Instead a kind of “regulatory regionalism” based upon inter-governmental efforts is appearing in this part of the world. This carries fewer negative connotations for sovereignty and regime autonomy because “institution building” in the most traditional sense implied some sovereignty pooling aspects that alarmed East Asian regional leaders. In contrast, they have opted for delegating to the state whatever policy coordination necessary, and this is how institutionalization from an inter-governmentalist point of view can act as a sovereignty enhancing mechanism.<sup>5</sup>

1 Berger argues that in the relationship with its neighbors Japan's soft power constitutes that of a hard case, as its image suffers from severe liabilities. Berger exposes a 2006 study in which 71 percent of Chinese have a negative view of Japan. Also Kim shows how the same year over 72 percent of the people in South Korea perceived Japan with distrust. See Thomas Berger, “Japan in Asia: A Hard Case for Soft Power,” *Orbis* 54, issue 4 (Fall 2010): 565-582; and Byung-kook Kim, “Between China, America, and North Korea: South Korea's Hedging,” in *China's Ascent: Power, Security, and the Future of International Politics*, eds. Robert S. Ross and Zhu Feng (New York: Cornell University, 2008), 191-217.

2 Robert Gilpin and Jean M. Gilpin, *Global Political Economy: Understanding the International Economic Order* (Princeton, N.J.: Princeton University Press, 2001).

3 Shaun Breslin, “Greater China and the Political Economy of Regionalization,” *East Asia* 21, no.1 (2004): 9.

4 Richard A. Higgott and Martina Timmermann, “Institutionalizing East Asia: Learning Lessons from Europe on Regionalism, Regionalization, Identity and Leadership,” in *Institutionalizing Northeast Asia: Regional steps towards Global Governance*, eds. Martina Timmermann and Jitsuo Tsuchiyama (Tokyo: United Nations University Press, 2008), 52.

5 *Ibid.*, 56.

The creation of the Chiang Mai Initiative after the AFC is a recent example in this sense, as the first steps towards East Asian-wide institutionalization implying a form of institution — the APT framework — and governance in the form of financial assistance.<sup>6</sup> However, Rozman argues that the future challenge for East Asia lies in the establishment of an institutionalized community that takes China, Japan and South Korea as the core.<sup>7</sup> Figure 1 depicts this problematization. The ascending arrows illustrate the processes this article pays attention to, while the big feedback arrows are included to show both how they reinforce and consolidate institutionalization in the region, as well as the roles of the different actors involved.

Figure 1: Main Proposal



### South Korea's Leadership as a Middle Power

Much has been written and theorized in regard to the issue of regional leadership when it comes to East Asia, as many scholars expected the PRC and/or Japan to play a similar role Germany and France played in the evolution of the EU. However, the two regional powers have not been able to agree and lead together the institutionalization process, which is often regarded as very hard to achieve in East Asia. Clearly, in any process of regional institutionalization, leadership is a key element, especially if the aim is to pursue a regional community — as it is assumed in this case. Higgott and Timmermann argue that for

6 Signed in May, 2000 in the city of Chiang Mai, Thailand, this initiative created a network of bilateral arrangements among the APT members, China, Japan and the Republic of Korea with the ASEAN countries. This pact provided financing for members, which may encounter liquidity problems. In 2009 an agreement was reached to replace the complicated bilateral swap agreements for a comprehensive multilateral arrangement that created a single fund to help with managing regional financial crises, which represents the first successful regionalist project of the APT grouping.

7 Gilbert Rozman, "Northeast Asian Regionalism at a Crossroads: Is an East Asian Community in sight?" in *Institutionalizing Northeast Asia: Regional steps towards Global Governance*, eds. Martina Timmermann and Jitsuo Tsuchiyama (Tokyo: United Nations University Press, 2008), 83-97.

East Asia to narrow the asymmetry with the West (and the US in particular), the region needs to enhance its collective institutional decision-making capabilities: “For this to occur, endogenous regional leadership needs to strengthen.”<sup>8</sup> South Korea appears to be the most suitable candidate to take up this role, as a democratic and economically developed state. Rozman explains: “South Korea is the natural center of Northeast Asia and is best positioned to draw others together. President Kim Dae-jung became the leading advocate of APT and also the EAS; and President Roh Moo-hyun took office making a strong appeal for regionalism in NEA.”<sup>9</sup> Moreover, the future of regional arrangements like these depends more on the industrialized Northeast Asian countries than in the ASEAN 10 members since the Southeast Asia “bridge” for regionalism that worked for a time seems today unlikely to carry it much further.<sup>10</sup> An East Asian regional framework indeed requires the institutionalization of NEA with endogenous leadership driving the process.

The use of the concept of “middle power” is more or less recent and it materialized as a valid analytical tool only in a post-Cold War world. The emergence of new actors and the increasing relevance of the so-called “low politics” — economic, cultural, social or even environmental issues — in international relations, have given smaller or medium-sized countries more room and opportunities to pursue a more active participation in the international community. Jordaan defines middle powers as: “states that are neither great nor small in terms of international power, capacity and influence, and demonstrate a propensity to promote cohesion and stability in the world system.”<sup>11</sup> Usually several characteristics are taken into consideration when trying to identify middle powers, most commonly the state capabilities that position them in the world order but also the role and influence of their foreign policy. Cooper, Higgott and Nossal argue that the common approach to middle powers through position in the international hierarchy has its problems as it relies too heavily on quantifiable measures of power.<sup>12</sup>

8 Higgott and Timmermann, “Institutionalizing East Asia,” 54.

9 Rozman, “Northeast Asian Regionalism at a Crossroads,” 85.

10 Ibid., 90.

11 Eduard Jordaan, “The Concept of a Middle Power in International Relation: distinguishing between emerging and traditional Middle Powers,” *Politikon* 30, no. 2 (2003): 165.

12 Andrew F. Cooper, Richard A. Higgott and Kim Richard Nossal, *Relocating Middle Powers: Australia and Canada in a Changing World Order* (Vancouver: University of British Columbia Press, 1993), 17.

Thus, a comprehensive understanding of middle powers is the favored option here to understand South Korea’s regional leadership. A geographic approach to this issue is first considered, which suggests that a middle power state is a state physically located “in the middle” between other great powers.<sup>13</sup> This obviously has a strong regional component and fits well the case of South Korea. A second approach is the so-called normative view of middle powers, which sees them as somewhat “wiser or more virtuous” countries as compared to the rest, and thus they are considered to be more “trustworthy because they can exert diplomatic influence without the likelihood of recourse to force.”<sup>14</sup> This idea is more closely related to the reputation that a certain country — usually a democratic one — has, and it definitely serves the argument of positive public image that Seoul has been trying to pursue internationally by hosting various events and by supporting certain international causes.

More important though, is the behavioral approach, which focuses on the particular style of behavior that the so-called middle powers often display in the international arena. This is characterized by their preference for multilateralism, their ability to embrace compromise in certain disputes and the implicit notion of “good international citizenship” in their diplomacy. This emphasis on behavior implies that “middlepowerism,” is not a static feature but instead it is modified over time according to the changes in the international system, as “there is the possibility that followers may adopt leadership roles.”<sup>15</sup> Indeed, although today it is possible to see how South Korea can be considered as a middle power, this remains a recent development in its international status. Jordaan’s differentiation of middle powers into ‘traditional’ and ‘emerging’ middle powers is helpful:

Constitutively, traditional middle powers are wealthy, stable, egalitarian, social democratic and not regionally influential. Behaviorally they exhibit a weak and ambivalent regional orientation, constructing identities distinct from powerful states in their regions. [...] Emerging middle powers by contrast are semi-peripheral, materially inegalitarian and recently democratized states that demonstrate much regional influence and self-association. Behaviorally, they opt for reformist and not radical global change, exhibit a strong regional orientation favoring regional integration but seek also to construct

13 Ibid.

14 Ibid., 18.

15 Ibid., 21.

identities distinct from those of the weak states in their region.<sup>16</sup>

South Korea in particular, represents this dichotomy well, Robertson argues. Due to its physical, economic and military capabilities, the ROK is often placed in a higher position within the global hierarchy according to most traditional measurements of power.<sup>17</sup> Indeed, South Korea's population in 2007 was 48 million people, ranking the ROK 23rd in the world; additionally, the OECD in the same year ranked South Korea as the thirteenth largest economy in the world with a GDP of \$957 billion. Moreover, according to the US Central Intelligence Agency (CIA) 2005 Factbook, the South Korean military expenditure of \$21 billion per year ranked it eighth in the world. All these are of course indicators that relate to the more material aspects of power. Nevertheless, foreign policy behavior tell us more when trying to identify a middle power, since these types of states usually opt for one or many possible roles as a regional leader; acting as a bridge or mediator and/or as a manager for institution building.

Although Robertson points out that "South Korea's foreign policy behavior has not reflected the internationalist tendencies we associate with middle powers such as Sweden, Norway, Canada, and Australia,"<sup>18</sup> this has been changing since the 1990s. Accordingly, Robertson proposes that the ROK's case may well constitute that of an evolution, from emerging middle power to a more traditional middle power. This evolution manifests particularly in Seoul's foreign policy behavior and the role that it has assumed both at regional and global levels. The active participation of South Korea in the G20 process is the clearest example of the latter and what the government of Lee Myung-bak has called the "Global Korea" strategy. As I will demonstrate, particularly at the regional level, Seoul has displayed early signs of leadership in the wake of the 21st century.

However, some are critical of South Korea's real capacity to act as a regional leader for several reasons, citing among them primarily the antagonistic sentiment towards Japan amongst the Korean public and their skepticism of China.<sup>19</sup> Indeed, these are relevant and objective trends within the citizenry.

16 Jordaán, "The Concept of a Middle Power in International Relations," 165.

17 Jeffrey Robertson, "South Korea as a Middle Power: Capacity, Behavior, and Now Opportunity," *International Journal of Korean Unification Studies* 16, no. 1 (2007): 153.

18 Ibid.

19 Kim exposes quantifiable data of surveys conducted among the Korean public to argue that the negative perceptions they have of the neighboring countries impedes South Korea to develop a constructive regional cooperation strategy. See Kim, "Between China, America, and North Korea," 191-217.

Still, the perceptions of the general public do not mean that official foreign policy options must follow the same approach. Decision-making at such high levels is usually carried out by elites that understand better the implications and necessity of regional cooperation. In addition, South Korea's inability to deal with the North and the constraints brought about by its dependency on the US for security are other reasons put forward by those who are skeptical of Seoul as a regional leader or bridge. For instance, Kim Byung-kook chooses to focus only on ROK's security dilemma from a realist point of view to argue that it can hardly be considered a regional leader because it has failed in acting as a mediator between North Korea and America. This approach has its limitations, and if the focus is instead put on foreign policy behavior towards regional cooperation and not in the stalemate that dealing with Pyongyang usually entails for Seoul, then the picture looks more positive. From an inter-governmentalist point of view where the emphasis is put on the interactions of states at a governmental level, there is no reason to argue that Seoul's regional policies cannot display middle power behavior. Moreover, Kim not only focuses his critique on one single administration — the Roh Moo-hyun administration from 2003 to 2008 — he also argues that President Roh's main mistake was to have miscalculated South Korea's capabilities, opting for a great power strategy instead of that of a middle power.<sup>20</sup> Thus, Kim's argument does not entirely contradict that of this paper, and it actually helps to validate the importance of understanding the ROK's position as a middle power in East Asia.

In order to do so, Cooper, Higgott and Nossal's proposal is central as it helps to identify these "middlepowership behavioral patterns" in three phases: first as catalyst; where middle powers take the lead by providing the intellectual and political energy to promote certain initiatives. Second as facilitator; where middle powers focus on coalition building in order to support issue-specific agenda-setting efforts. This type of work is relevant as it entails aspects like the planning and hosting of formative meetings and the setting of priorities for future collective action. Finally, another way in which a middle power can exert leadership is as a manager. In this context, a heavy emphasis is put on institution building and confidence building, the development of norms and the use of formal and informal fora.<sup>21</sup> This allows us to understand the many ways regional leadership can be exerted, where leadership is distinguished from hegemony; as

20 Kim, "Between China, America, and North Korea: South Korea's Hedging," 194.

21 Cooper, Higgott and Nossal, *Relocating middle powers*, 24-25.

Higgott and Timmermann put it, “leadership is not just economic and military preponderance. Leadership can be intellectual and inspirational.”<sup>22</sup>

### Seoul’s Early Signs of Leadership

Most of the analysis set the end of the Cold War as the backdrop for East Asia to start thinking about ways to promote cooperation and security on a multilateral basis for a region that nevertheless is until today highly determined by strong bilateral relationships. It would not be entirely inaccurate to say that South Korea is not different and it only began to engage East Asian regionalism in a systematic manner in the 1990s. However, some trace Seoul’s interest in regionalism to as early as the 1940s. Park Young-june, an expert in Korean foreign policy, military and security affairs, emphasizes that “from an early stage the ROK has been interested in the building of regional institutions primarily due to the necessity of safeguarding its own security at first, but later also because of the need to propel its economic development.”<sup>23</sup> To illustrate, Park points to the First Republic’s President, Syngman Rhee and his 1949 speech in which he proposed a Pacific Alliance with the US, the Philippines and Chiang Kai Shek’s Taiwan, in the context of a North-South divide in the Korean Peninsula and the idea of communist containment in the wake of World War II. This was indeed a proposed version of NATO for the Asia-Pacific. Evidently, this idea did not materialize, mainly because the Americans opted for a kind of approach based on bilateral alliances to secure stability and their presence in the region throughout the Cold War. This did not stop Seoul from trying to promote a regional agenda, especially in 1960s under the authoritarian government. As security became granted by the US hub-and-spoke system of military alliances, the focus turned to economic development and access to overseas markets. South Korea’s leader, Major General Park Chung-hee, suggested an Asian Economic Cooperation Group; however, this could not materialize in the absence of official diplomatic ties between Seoul and Tokyo.<sup>24</sup>

The prospects of a normalization of relations between South Korea and Japan — which was finally achieved in 1965 — provided a good context

for the creation of the Asian-Pacific Council (ASPAC), which emerged in late 1964 as a diplomatic initiative put forward by Seoul. Park argues: “The materialization of this organization and its secretariat established in the ROK was very important and meaningful for the Koreans until the mid 1970s.”<sup>25</sup> The founding members of this group were all non-communist American or Western allies in the Asia-Pacific, such as Australia, the Republic of China, Japan, the ROK, Malaysia, New Zealand, the Philippines, Thailand, and the Republic of Vietnam. Although from its inception ASPAC had to accommodate competing interests, in practice it became an informal consultative forum similar to the ones in place nowadays in the region. ASPAC’s demise came a decade after its foundation in the wake of China’s emergence from the Cultural Revolution and the Fall of Saigon in 1975. Today, ASPAC is largely ignored by scholars, but its value should not be underestimated. For over ten years during some of the most critical moments of the Cold War, ASPAC — a South Korean-led initiative based in Seoul — provided the only East Asian regional framework for dialogue and consultation. What remains debatable about this regional institution is whether it left any legacy that could be traced in the post-Cold War regional frameworks existing today. The informal and consultation-oriented way supports the argument that ASPAC provided the conditions for an embryonic development of what is well known today as the ‘ASEAN Way’ or ‘Asia-Pacific Way’ that characterizes the functioning of most regional organizations, as ASEAN itself — although founded in 1967 — did not become consolidated and regularly held until the 1980s. The intrinsic nature of the functioning of East Asian regional institutions could have been forged in Seoul instead of Singapore.

Nevertheless, today, most scholars identify two events as the preconditions for East Asia to start thinking about a “modern” form of regional institutionalization. The first one is the end of the Cold War and the environment it provided for the prospects of a new regional and global order. In this context it was the Korean president Roh Tae-woo who initially proposed the idea of a multilateral dialogue to tackle security issues in Northeast Asia.<sup>26</sup> This was possible thanks to South Korea’s normalization of relations with both China and the USSR in the late 1980s. Seoul’s proposal was presented to the UN General

22 Higgott and Timmermann, “Institutionalizing East Asia,” 52-53.

23 Author’s interview with Young-june Park, Ph.D., Head of Center for Military Affairs at the Research Institute for National Security, Korea National Defense University. March 14, 2012.

24 Ibid.

25 Ibid.

26 Sook-jong Lee, “Korean Perspectives on East Asian Regionalism,” in *East Asian Multilateralism Prospects for Regional Stability*, eds. Kent E. Calder and Francis Fukuyama (Baltimore: The Johns Hopkins University Press, 2008), 198-213.

Assembly in 1988 and it was dubbed as the “Consultative Conference for Peace in Northeast Asia,” which expected to bring together the same six members that would eventually constitute the Six-Party Talks. Despite what has been described above, many see this Korean initiative as the commencement of a regional policy in Seoul under the new Sixth Republic, with a primary focus on the integration processes of Northeast Asia.<sup>27</sup> This focus prevailed throughout the next decade. In 1994, the ROK tried again to start a similar initiative at the Asia Regional Forum Senior Officials’ Meeting in Bangkok.<sup>28</sup> Although without much success initially, these examples are evidence of Seoul’s primary interest in promoting multilateral frameworks among its neighbors, which could be understood from a balance of power prospective to the issue, as Lee suggests, since the ROK is indeed a smaller nation surrounded by regional and global powers.<sup>29</sup>

The second and most emphasized event that triggered regional institutionalization in East Asia is the 1997-98 Asian financial crisis. The regional horizon of policymakers in Seoul was broadened by the critical juncture brought about by the AFC, which had made evident the necessity of closer ties between the advanced Northeast Asian countries and the developing countries in Southeast Asia.<sup>30</sup> This contingency was very influential, although the ROK was already actively involved in regional institutionalization processes before the financial crisis broke out. For instance, it is widely acknowledged in the region that within the Asia-Pacific Economic Cooperation (APEC) forum, Seoul’s mediation was central and it played an instrumental role for the simultaneous inclusion of the “three Chinas” — namely the PRC, the ROC and Hong Kong — as three distinct members of this regional dialogue in 1991.<sup>31</sup> Moreover, during the Kim Young-sam administration (1993-98) under the so-called “New Diplomacy” and the growing interdependence with surrounding countries, South Korea became highly proactive in a variety of regional dialogues such as the ASEAN Regional Forum (ARF), the Northeast Asian Cooperation Dialogue

(NEACD), the Northeast Asian Security Dialogue (NEASD), the Council of Security Cooperation in the Asia-Pacific (CSCAP) and the Asia-Europe Meeting (ASEM).<sup>32</sup> All these multilateral frameworks involved Track 2 or the so-called Track 1.5 security related talks which served well Korean interests at the time since they implied a parallel track to the government-driven process.

In sum, Park Young-june explains that despite some setbacks and several political changes brought about by the democratic transition in South Korea, there has been a certain level of coherence in trying to build regional institutions among policymakers in Seoul. Park argues that the reason for this has always been geostrategic; as Seoul saw itself isolated from the rest of Asia in its immediate neighborhood — because of North Korea on one side and having historical conflicts with Japan on the other — it sought to develop regional frameworks to ensure its security, promote cooperation and develop new markets as the country underwent rapid industrialization. This tendency towards regional institutionalism eventually became embedded in South Korea’s foreign policy.<sup>33</sup>

### South Korea’s Shift to Modern Regionalism

The 1997-98 crisis was indeed the turning point for the ROK to embrace “modern” regionalism in East Asia following a more inter-governmentalist approach to institution building and governance: “The crisis made Korea realize the vulnerability of its economy to exogenous shock and the depth of its integration with the region. Hence, the negative lesson from the crisis was a positive catalyst for Korea’s commitment to East Asian regionalism.”<sup>34</sup> Before this event, South Korea viewed its national interests as strongly grounded in trans-Pacific cooperation; thus, when Malaysian Prime Minister Mahathir famously suggested the idea of an East Asian Economic Grouping (EAEG), it was the ROK and Japan that reacted in a more skeptical way, considering their close political and economic ties with the US.<sup>35</sup> The AFC changed this mentality in Seoul. While the previous emphasis on Northeast Asia and security issues was justified by South Korea’s circumstances as a divided nation under constant threat from

27 Jae-woo Choo, “South Korea and East Asian Regionalism, Policies, Norms and Challenges,” in *Governance and Regionalism in Asia*, ed. N. Thomas (London: Routledge, 2009), 93-115.

28 Lee, “Korean Perspectives on East Asian Regionalism,” 199.

29 Ibid.

30 Most scholars agree on this point, among them some of the Korean experts revised: Choo, “South Korea and East Asian Regionalism, Policies, Norms and Challenges,” and also Lee, “Korean Perspectives on East Asian Regionalism.”

31 Sung-hoon Park and Jeong-yeon Lee, “APEC at a Crossroads: Challenges and Opportunities,” *Asian Perspective* 33, no. 2 (2009): 97-124.

32 Choo, “South Korea and East Asian Regionalism, Policies, Norms and Challenges.”

33 Author’s interview with Young-june Park, Ph.D., Head of Center for Military Affairs at the Research Institute for National Security, Korea National Defense University. March 14, 2012.

34 Choo, “South Korea and East Asian Regionalism, Policies, Norms and Challenges,” 98.

35 Lee, “Korean Perspectives on East Asian Regionalism,” 201.

the North, the political and economic landscape shifted due to the Asian crisis. Some even argue that the problems the Asian financial crisis underscored within South Korea — which was badly hit by the financial turmoil and the effects of crony capitalism — helped the opposition leader Kim Dae-jung win the presidential election in 1997.<sup>36</sup>

In the wake of the AFC, Kim's administration (1998-2002) was the first ROK government to embrace and push for the idea of an East Asian regional community. Park Young-june argues that President Kim Dae-jung was undoubtedly the most active Korean leader in forming regional institutions and a cooperation network: "Even Japanese and Chinese still highlight President Kim's contributions."<sup>37</sup> This shift was clear, as Seoul opted for a new definition of its geographical borders in East Asia, based upon the ASEAN Plus Three (APT) framework that emerged in this context — which excluded the United States as well as other Pacific countries such as Australia and New Zealand.<sup>38</sup> This meant that South Koreans had to review their position of "open regionalism" as it was pursued within the APEC framework, which became largely dominated by the Americans. Lee argues this also meant a change in identity expressed in Korea's diplomacy particularly towards Japan but also in pursuing economic agreements instead of concentrating so much on traditional security aspects. The so-called "forward-looking policy" proposed under President Kim serves as a good example of how Korea attempted to downgrade the sometimes conflictive nationalist sentiments, showing regional leadership in resolving sensitive historical issues as this policy "was based on the idea that common East Asian identity and Japan's cooperation would be needed to foster prosperity and peace in the region."<sup>39</sup> This sense of collective destiny was reinforced by the negative experiences with the IMF and the World Bank that most troubled East Asian countries encountered as a result of the AFC.<sup>40</sup> In this context the APT became the axis of East Asian regionalism as it included the three advanced economies of Northeast Asia, which account for about 90 percent of the

region's GDP as a whole.<sup>41</sup>

South Korea immediately became enthusiastic about this new framework, and during Kim's presidency it actively developed region-oriented policies. East Asian regionalism became in this period one of the major pillars for the ROK's foreign policy, as it was seen as a viable means to promote peace and prosperity in the region.<sup>42</sup> President Kim Dae-jung saw the Korean Peninsula issue and its possible solution as part of a broad regional network including neighboring countries in NEA, thus the emphasis on regional institutionalization during his government, in addition to the well-known "Sunshine Policy" of engagement with North Korea. Hence, the foundations of the Six-Party Talks were laid during this period: "For President Kim, the issue of regional cooperation and institutionalization was intertwined with the chances of improving inter-Korean relations."<sup>43</sup>

Yet, the most significant of many initiatives trying to build an East Asian Community was the formation of the East Asia Vision Group (EAVG) that president Kim Dae-jung announced at the 1998 APT summit meeting in Hanoi, in addition to the creation of the East Asia Study Group (EASG), to allow the academic and private sector become involved in finding out ways to further cooperation within the APT countries. As Choo explains, in the launching and support of these initiatives South Korea was very vocal in advocating for regulatory frameworks for regional governance. Seoul "proactively assumed a leadership role in harmonizing different policy opinions that surfaced naturally during political debates and negotiations at the meetings of these two groups."<sup>44</sup> Under this kind of constructive leadership the ROK was able to coordinate the final 26 policy recommendations that stem from the EASG. Those measures not only included economic and financial cooperation, but also political, security, environmental, energy, cultural, educational, social and institutional types of measures. In accordance with its mandate, the EASG submitted its final report to the APT Summit in Cambodia in 2002 in which it also assessed recommendations for the EAVG and the implications of an East Asia Summit, which became a reality a few years later. Among those seventeen short-term and nine long-

36 Ibid., 202.

37 Author's interview with Young-june Park, Ph.D., Head of Center for Military Affairs at the Research Institute for National Security, Korea National Defense University. March 14, 2012.

38 Sung-han Kim, "Northeast Asian Regionalism in Korea," in *New Regional Security Architecture for Asia*, CFR project, directed by Sheila A. Smith, Council on Foreign Relations (2009), [www.cfr.org/content/publications/.../NEAsia\\_SecurityKim.pdf](http://www.cfr.org/content/publications/.../NEAsia_SecurityKim.pdf) (accessed January 20, 2012).

39 Lee, "Korean Perspectives on East Asian Regionalism," 203.

40 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges."

41 Lee, "Korean Perspectives on East Asian Regionalism," 204.

42 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges," 99.

43 Author's interview with Young-june Park, Ph.D., Head of Center for Military Affairs at the Research Institute for National Security, Korea National Defense University. March 14, 2012.

44 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges," 99.



term concrete measures proposed in the EASG final report, some that stand out are highlighted below, as they are considered here to contribute specifically to regional institutionalization:

- Form an East Asia Business Council;
- Establish an East Asia Investment Information Network;
- Build a network of East Asian think-tanks;
- Establish an East Asia Forum;
- Establish poverty alleviation programs;
- Strengthen mechanisms for cooperation on non-traditional security issues;
- Work together with cultural and educational institutions to promote a strong sense of identity and an East Asian consciousness;
- Promote East Asian studies in the region;
- Form an East Asia Free Trade Area;
- Pursue the evolution of the ASEAN+3 Summit into an East Asian Summit;
- Promote closer regional marine environmental cooperation for the entire region;
- Build a framework for energy policies and strategies, and action plans.<sup>45</sup>

Consequently, Seoul strove as the organizer and host of most of these related meetings that culminated in the hosting of the inaugural summit of the East Asia Forum in December 2003.<sup>46</sup> The change of administrations, however, meant a halt in the support of some of these regional initiatives started by Kim Dae-jung. With President Roh Moo-hyun, the emphasis on regional institutionalization shifted back to Seoul's immediate neighborhood of Northeast Asia. This new approach did not contradict previous efforts, as many Korean authors point out, but it responded mainly to strategic concerns and to the necessity of institutionalization of the relations between the big regional players in Northeast Asia,

45 Final Report of the East Asia Study Group. Presented at the ASEAN + 3 Summit, on 4th of November, 2002. Phnom Penh, Cambodia. Official document available online through Japan's MOFA website, <http://www.mofa.go.jp/region/asia-paci/asean/pmv0211/report.pdf> (accessed December 4th, 2011).

46 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges;" and Lee, "Korean Perspectives on East Asian Regionalism."

particularly in the economic aspects, but not exclusively.<sup>47</sup> This shift serves to illustrate this paper's assumption of Northeast Asian institutionalization as a necessary step to advance East Asian-wide regionalism. In his inaugural speech, Roh proclaimed the idea of a "Northeast Asian Cooperation Initiative for Peace and Prosperity" and also emphasized the role of Korea in this framework as a "hub" in NEA, creating a special Presidential Committee for this purpose under the initial name of "Northeast Asian Business Hub" in 2003 and changing its name in 2004 to "Northeast Asian Cooperation Initiative" to work on the creation of policy and governance promotion.<sup>48</sup> From the early days of his new administration, Roh "highlighted a strategic message that Korea should be a "bridge" linking continental and maritime powers, a hub of ideas and inter-regional networks, and cooperation catalyzing a regional community of peace and prosperity."<sup>49</sup> This important shift was the ROK's response to the stalemate in regional power structures arising mainly from competing agendas and the Sino-Japanese rivalry that implied two different views in regards to the way in which East Asian integration should be carried out. Indeed many see Seoul as the only regional actor with the potential to assume an intermediate role between Japan and China:<sup>50</sup>

China and Japan's unwillingness to cooperate on regional affairs, coupled with an easily upset bilateral relationship, has pulled them in different directions with respect to the building of the East Asian Community (EAC). The fundamental level of their disagreements was revealed at the inaugural meeting of the EAS, when Japan insisted on – and China opposed – the membership of Australia and New Zealand. Under these circumstances, it seems that the balancing role of middle powers such as Korea is more important than ever if the region is sincere about building the EAC.<sup>51</sup>

Nevertheless, Choo remains skeptical, since in practice the ROK as a middle power has not fully succeeded in asserting itself as leader in regional affairs because the region is highly dominated by a number of great powers. This means Seoul still has difficulty in trying to influence the development of the region's

47 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges;" Lee, "Korean Perspectives on East Asian Regionalism;" and Kim, "Northeast Asian Regionalism in Korea."

48 Lee, "Korean Perspectives on East Asian Regionalism."

49 Kim, "Northeast Asian Regionalism in Korea," 2.

50 Rozman, "Northeast Asian Regionalism at a Crossroads: Is an East Asian Community in sight?"

51 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges," 106.

normative structure.<sup>52</sup>

### Current Approach to the Region

Since he took power in 2008, Lee Myung-bak seems likely to continue the ROK's commitment to the region and its institutionalization process with a certain emphasis on Northeast Asia while keeping the APT as the main vehicle to advance East Asian integration. In the meantime, the EAS has invited other extra-regional actors to balance the influential presence of China and its rivalry with Japan. Continuing with his predecessors' tradition of branding the ROK's foreign policy with fancy names, Lee's "New Asia Diplomacy" implies the broadening of Seoul's diplomatic horizons in order to make greater contributions to regional and global causes, which reflects middle power behavior. This is clearly seen in the ROK's active and enthusiastic participation in several international frameworks, such as hosting the G20 summit in 2010. As part of the vision of a "Global Korea" — the name given to the current administration's National Security Strategy — Seoul seeks to develop worldwide recognition as a constructive and developed member of the international community, while strengthening cooperative partnerships with Southeast Asia, Central Asia, India, Australia and New Zealand as a way to initiate a new "Asian Era."<sup>53</sup>

Indeed, President Lee's diplomatic priorities are pragmatic and realist, where bilateral and key partnerships weigh heavily against multilateralism. The current leadership in Seoul has been undertaking a "creative pragmatic" approach in its diplomatic efforts to develop the ROK into a global nation in order to realize a vision of an "advanced and prestigious country."<sup>54</sup> This pragmatism, however, is not seen as mutually exclusive with the ROK's ongoing good-neighbor policy and the construction of a "Cooperative Network for Northeast Asia" where multilateralism becomes institutionalized. This remains a major priority and top challenge within Lee's major agendas.<sup>55</sup> (Figure 2: Global Korea Strategy) In this context, the enhancement of the Trilateral Cooperation

Meetings of the CKJ group is the most recent example of the importance Seoul is giving to the issue of institutionalization of Northeast Asia. This tripartite summit that took form in the context of the AFC and the creation of the APT framework has been in recent years consolidated as the main channel for dialogue among the three major NEA actors, putting South Korea at the center of shaping the institutionalization of cooperation between China and Japan. It is clear for Seoul's policymakers that "there is greater need to strengthen trilateral cooperation among Korea, China, and Japan as a way to enhance East Asia's standing and role in the international community, and collectively address key challenges confronting Northeast Asia."<sup>56</sup>

2008 was a year of great progress for trilateral cooperation between South Korea, China and Japan. For the first time, the Trilateral Summit was held in the territory of one of the three countries — in Fukuoka, Japan — independently from the APT meetings. On the occasion, the three leaders adopted a joint statement agreeing to hold the high-level exchanges more regularly, which for Seoul was especially meaningful since the Koreans have been suggesting for years that the summit should be held on a regular basis. The adoption of the ROK-Japan and ROK-China agreements on currency swap deals, each of \$30 billion to cope with the global financial crisis, reflected the commitment of the three countries to put their collaborative efforts into action and the importance given to the role of South Korea in these schemes.<sup>57</sup> Additionally, in 2010 the three countries adopted the so-called "Vision 2020," a blueprint for trilateral cooperation which outlines the future prospects of this multilateral framework by establishing a series of concrete tasks to accomplish in five fields, including: Institutionalization and Enhancement of the Trilateral Partnership, Sustainable Economic Cooperation for Common Prosperity, Cooperation in Sustainable Development and Environmental Protection, Promotion of Friendly Relations through the Expansion of Human and Cultural Exchanges and Joint Efforts for Regional and International Peace and Stability.<sup>58</sup>

With the fourth high-level meeting concluded successfully in 2011, the now regularized dialogue also includes ministerial talks on similar issues — namely culture, foreign affairs, trade and environment — while the decision

52 Ibid.

53 Ministry of Foreign Affairs and Trade, Republic of Korea, *Global Korea: The National Security Strategy of the Republic of Korea*, 2009, <http://www.mofat.go.kr> (accessed February 20, 2012).

54 Ministry of Foreign Affairs and Trade, Republic of Korea, *Diplomatic White Paper 2009*, <http://www.mofat.go.kr> (accessed February 20, 2012).

55 Ministry of Foreign Affairs and Trade, Republic of Korea, *Global Korea: The National Security Strategy of the Republic of Korea*.

56 Ibid.

57 Ministry of Foreign Affairs and Trade, Republic of Korea, *Diplomatic White Paper 2009*.

58 Ministry of Foreign Affairs and Trade, Republic of Korea, *Diplomatic White Paper 2011*, <http://www.mofat.go.kr> (accessed February 20th, 2012).

to create a permanent secretariat in the ROK was a remarkable step in putting Seoul at the heart of the process, something that has indeed become embedded in South Korea's approach to regional institutionalization of NEA. Although the three countries came together initially to respond to economic interdependence: "this exchange has led to an expansion of trilateral cooperation to address new security challenges."<sup>59</sup> It is true that the Seoul-based secretariat has been envisioned to serve as a coordinating body, and even though the three parties weigh equally in the agenda setting at least in theory, the functional contributions of the ROK's role as coordinator shows once again the country's display of middle power behavior, bridging between the two regional giants, showing a similar kind of leadership it showed ten years ago when promoting the EAGV. These examples illustrate well how middle powers can function as catalysts, facilitators and managers to promote cooperation.

It is true that in terms of leadership affiliation, as most Korean scholars point out, Seoul's espousal of open regionalism places it much closer to Tokyo's set of norms than to the East Asian-exclusive mindset prevalent in Beijing.<sup>60</sup> Nevertheless, if we take a look at the meetings and summits that the ROK has attended with China, these actually outnumber the ones held with Japan on a bilateral basis in recent years. Seoul is indeed paying more attention to its relations with China than with Japan. For instance, in 2010 the ROK held 24 high-level meetings with China, which is an average of two exchanges per month; and only sixteen meetings of the same kind with Japan, many of which took place under other multilateral contexts.<sup>61</sup> This can be seen as a way to balance the fact that Japan, as well as the ROK, is a US ally, while China — which has become South Korea's major trade partner — is not and it remains the one country in the region with some leverage over North Korea. Seoul may also be paying more attention to Beijing in order to gain its support for its regional leadership aspirations in pragmatic and functional issues. China's response to Korean initiatives in regional institutionalization can determine their degree of success and legitimacy.

Finally — and despite the emphasis of this article on more exclusively East Asian regional frameworks — it is important to highlight that due to the

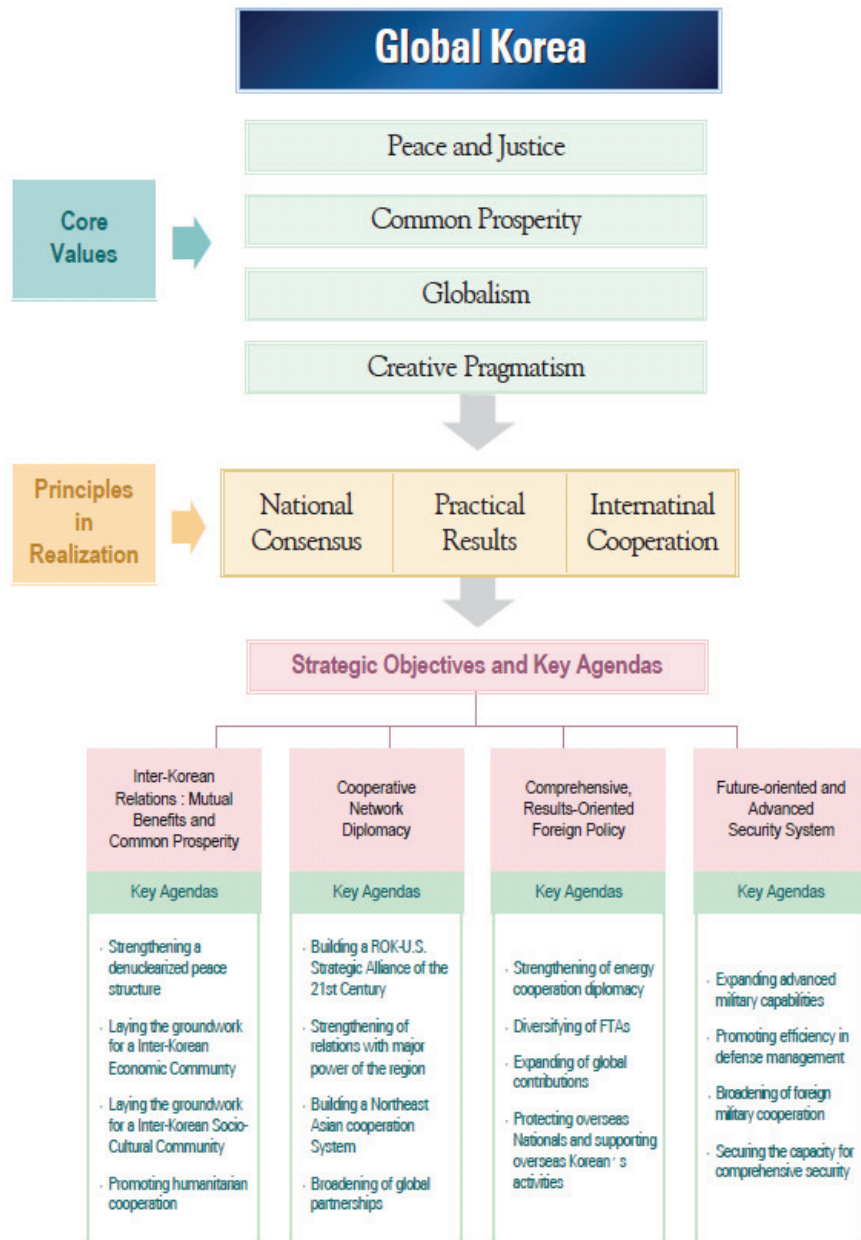
reality of the North Korean threat and the strategic relevance of the ROK-US security alliance, keeping the Americans involved in the region remains one of Seoul's top priorities in their current approach to the region. This has been reflected in the strengthening of the alliance in recent years and the support for US membership in institutions like the ARF and the EAS, which are based on open regionalism. In essence, the Lee Myung-bak administration believes in the synergies between multilateralism and East Asian regionalism on the one hand, and the strategic bilateral alliances and partnership on the other, which is clearly depicted in President Lee's strategic vision for a Global Korea (see image on next page).

59 See-woon Byun, "The China-South Korea-Japan Triangle: The Shape of Things to Come?" *Asia Pacific Bulletin*, no. 115 (Washington: East-West Center, June 6, 2011).

60 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges," 108.

61 Ministry of Foreign Affairs and Trade, Republic of Korea, *Diplomatic White Paper 2011*.

Figure 2: Current “Global Korea” Foreign Policy Strategy



## Conclusion

This paper explores a regional level of analysis to examine the contributions and the possible effects of South Korea's regional leadership — conceptualized as a middle power in the region — in the processes of the institutionalization of East Asia. Certainly, it is very difficult to accurately measure a country's leadership role in these types of processes. According to some authors<sup>62</sup> South Korea as a middle power has yet to fully consolidate itself as a regional leader. This might be especially true when it comes to the recognition as such by other players in the region. The prospects are still not clear as on how much Seoul can really achieve as a leader of East Asian regionalism without the legitimate support and consensus of the other two regional powers, regardless of whether this is ultimately manifested as a purely coordinating or also as an agenda setting role.

Indeed, the examples given illustrate the behavioral approach to understanding middle powers as catalysts, facilitators and managers to promote cooperation. Seoul's role of coordinator is extremely relevant in this case as it takes the responsibility away from Beijing or Tokyo, who would feel more uncomfortable when having to deal with each other directly. For instance, a mutual agreement was made among the leaders of the three NEA countries after the Koreans insisted on the need to establish a permanent secretariat for the Trilateral Cooperation Meeting. As its 2011 Diplomatic White Paper suggests, through the establishment of this administrative body, it is expected that South Korea will continue its contributions to the consolidation and institutionalization of the trilateral cooperation as well as playing a facilitating role in its development.<sup>63</sup> Accordingly, it is plausible to argue that regarding the institutionalization of Northeast Asia, Seoul's leadership appears to be a more accommodating and preferable option to build consensus and trust among the other two regional powers in the region,<sup>64</sup> similar to the role ASEAN has taken in the East Asian-

62 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges."

63 Ministry of Foreign Affairs and Trade, Republic of Korea, *Diplomatic White Paper 2011*.

64 At the opening ceremony of the Trilateral Cooperation Secretariat in Seoul last year the Chinese ambassador Zhang Xinsen said the establishment of the new body in Korea was an important step to realize the consensus among the three countries. Although less explicit, the Japanese Ambassador Muto Masatoshi stressed the shared responsibilities among the parties based on the principles of openness, transparency and mutual trust. The ROK assumed the first leadership of the new institution, with Shin Bong-kil, South Korea's former ambassador for international economic cooperation, acting as Secretary-General. In the occasion he argued that the secretariat holds significant potential in the context of Korea's regional diplomacy. (<http://english.peopledaily.com.cn/90883/7606468.html>; and <http://www.koreaherald.com/national/Detail>).

wide community building process. In turn, this elevates the ROK's regional status by allowing it to exert leadership and a certain leverage over the process.

In sum, South Korea's leadership as a middle power should be judged on whether or not it has successfully advanced the common interests of a group of states.<sup>65</sup> This unfortunately remains a task extremely hard to fulfill in the presence of strong rivalry and mistrust between the main regional actors. Those common interests, however, are increasingly being successfully pursued in several functional areas in which Seoul has constructively contributed to the building of regional frameworks at an inter-governmental level. Its efforts should not be underestimated, since South Korea has increased its commitment to serve as a bridge for Northeast Asian cooperation and East Asian community building. By actively supporting and promoting regional initiatives through its foreign policy Seoul has more than once acted as a catalyst, facilitator and manager of processes related to the institutionalization of cooperation among its neighbors. The ROK as a regional middle power can thus be considered an important driving force when institutionalizing East Asia. **PEAR**

## A CRITICAL VIEW OF COUNTERINSURGENCY: WORLD RELATIONAL STATE (DE)FORMATION

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*The relations of wealth and power that define capitalism as a global system were created, in part, by long term, large scale processes subsumed by policy discourse and practice associated with the term "counterinsurgency." Institutionally and practically, counterinsurgency coordinates coercive state institutions (military, police and intelligence) in a multipronged attack, including "civic action" and economic development, against an internal, armed rival. At the structural level, counterinsurgency is one of the political processes that creates and constitutes the spatial and developmental unevenness that characterizes the interstate system and world economy, asymmetrically driving militarization across the uneven zones of world systems. Historically, this military doctrine emerged to consolidate the colonial rule of the expanding empires of the late-nineteenth and early-twentieth century. It rose to prominence in order to manage decolonization in the mid-twentieth century and has returned in the last decade to deal with the increasingly acute social problems of the neoliberal period. It is a world-relational process because, across all these periods, it connects the varied outcomes of state formation across the wide gulfs of power and wealth that characterize capitalism. In contemporary cases like Afghanistan, Chechnya, Columbia, Iraq, the Philippines, Somalia and Yemen, and reflecting its emergence out of the expansion and consolidation of colonial rule in the late-nineteenth and early-twentieth century, counterinsurgency has involved the lead effort by a strong state or the subsidization of a weaker one.*

### From Vietnam to Homeland Security

My interest in counterinsurgency began with efforts to understand the significance of my former Congressman, Robert Simmons. In his first campaign in

jsp?newsMLId=20110927000898, accessed April 16th, 2012).

65 Choo, "South Korea and East Asian Regionalism, Policies, Norms and Challenges," 107.