ASEAN's leadership in East Asian region-building: strength in weakness
Richard Stubbs
Published online: 02 Jun 2014.

To cite this article: Richard Stubbs (2014) ASEAN's leadership in East Asian region-building: strength in weakness, The Pacific Review, 27:4, 523-541, DOI: 10.1080/09512748.2014.924229

To link to this article: http://dx.doi.org/10.1080/09512748.2014.924229

PLEASE SCROLL DOWN FOR ARTICLE
ASEAN’s leadership in East Asian region-building: strength in weakness

Richard Stubbs

Abstract Despite none of its members being a major economic or military power, the Association of Southeast Asian Nations (ASEAN) has played a leading role in building East Asia’s regional institutions. In exploring this apparent puzzle, the analysis reviews the literature on state leadership at the regional and international level, asks why the region’s major powers ceded leadership on the question of regional institution building to ASEAN, and assesses the consequences for East Asia’s regional architecture of ASEAN’s leadership role in institution-building. The conclusion is that leadership at the state level entails a state, or a group of states, proposing, executing and getting others to agree on a course of action to deal with a specific problem or challenge. The analysis also underscores the point that, while ASEAN has been the leader in East Asian institution-building, the Association and its members should not automatically be expected to play a leadership role on all issues preoccupying the region.

Keywords ASEAN; leadership; region-building; East Asia.

Introduction

The development of East Asian regionalism presents students of international relations with an intriguing puzzle. In each of the major regional groupings outside of East Asia, the regionalism project has been promoted and shaped by the region’s major powers. In Western Europe, both European Economic Community (EEC) and European Union (EU) regional integration were, from the beginning, driven by Germany and France. Indeed, Germany and France remain the central players as the EU attempts to manage its current crisis. In North America, the key player championing regional cooperation under the North American Free Trade Agreement (NAFTA) was the United States. And in Latin America, the region’s two largest economies – Brazil and Argentina – advanced
regional cooperation through the development of Mercosur. However, in East Asia, despite the presence of two major powers in the region, Japan and China, as well as the continuing influence of the United States, it has been the members of ASEAN that have led the way in building East Asian regional cooperation (cf. Kim 2012).

None of the ASEAN members can be considered a major economic or military power, yet through ASEAN they have been at the heart of the key advances in East Asian regionalism. For example, ASEAN successfully launched the ASEAN Regional Forum (ARF) in 1994, established the Asia–Europe Meetings (ASEM) in 1996, brought together the ASEAN Plus Three (APT) (China, Japan and South Korea) for the first time in 1997, created the East Asian Summit in 2005 and set up the ASEAN Defence Ministers Meeting Plus (ADMM Plus) in 2010. Moreover, from its inception in 1989, ASEAN was central to the development of the Asia–Pacific Economic Cooperation (APEC) forum.

This analysis explores the reasons for ASEAN’s leadership role in East Asian regionalism. The analysis is divided into three parts. The first part examines the literature on leadership, and especially state leadership in the international system and develops a framework which emphasizes the relationship between leaders and followers. The second part of the analysis addresses why major regional powers ceded leadership on region-building to ASEAN. The third part assesses the consequences for East Asia’s regional architecture of having ASEAN in the leadership role and answers the question of why East Asian regionalism is different from regionalism in other parts of the world where regional organizations are the product of the activities of the region’s major power or powers? The argument advanced is threefold: first, leadership at the state level entails one state, or a group of states, proposing, executing and getting others to agree on a course of action to deal with a specific problem or challenge; second, in East Asia, ASEAN has been the leader in regional institution-building; and third, ASEAN should not automatically be expected to play a leadership role on all issues preoccupying the region.

Theories of leadership

Since the end of World War II, the way in which leadership in the international system of states has been understood has gone through a number of stages. During the 1950s and into the 1960s, leadership was thought of in terms of the economic and military capacity of the major powers and was tied to the dominant realist approach’s preoccupation with the mobilization and distribution of power capabilities among states. Leadership was seen as being exercised by those states that had the requisite level of military and economic power (e.g. Kennedy 1987). From the late-1970s onwards, stress was placed on the ability of a leader to mobilize resources so as to determine the behaviour of other states and, hence, shape the
international system. The assumptions underlying this theoretical turn highlighted the realist argument that powerful states that acted as leaders were needed to keep the state system in line. Essentially, this approach underpinned the concept of hegemony. As Gilpin (1981: 29) asserts, hegemony is the circumstance in which ‘a single powerful state controls or dominates the lesser states in the system’. Much of the literature on leadership and hegemony, then, revolved around the different ways that a leader can manipulate the behaviour of others.

However, the approach to leadership in the international system soon began to shift with scholars re-focusing the idea of hegemony. Keohane and Nye (1977: 44) argued that hegemony is a situation in which ‘one state is powerful enough to maintain the essential rules governing interstate relations, and willing to do so’. Importantly, Keohane (1984: 137) suggested an interactive conceptualization of leadership noting that hegemonic leadership ‘does not begin with a tabula rasa, but rather builds on the interests of states’ and observing that ‘the hegemon seeks to persuade others to conform to its vision of world order and to defer to its leadership’. To some extent, this approach reflected the emergence of the Gramscian perspective during this period (Cox 1983, 1987). Yet, despite these references to the role of lesser powers, the preoccupation of students of international relations tended to centre on the exercise of power by the powerful (e.g. Ikenberry and Kupchan 1990; Rapkin 1990b) and especially in how the USA could maintain its leadership position in the world (Bergner 2003; Feketekuty and Stoke 1998; Nye 1991).

During this period, some important corrective analyses that examined leadership at the level of regional and international state relations emphasized the role of followers (e.g. Cooper, Higgott and Nossal 1991; Stubbs 1991). The key point that emerged was that ‘leadership is conferred by followers’ (Gardner 2000: 232) and so is very much an interactive process that involves both a leader and followers. Having the capability and willingness to act does not automatically mean that a state is exercising leadership. Certainly, assessments of potential cases of leadership require more than the normal leader-centred analyses that assume a relatively passive set of followers. Moreover, it is crucial to distinguish between hegemony and leadership. While hegemony refers to a general position of control or dominance across all issues – economic, military, political and social – leadership can, and often does, refer to a role played by a particular state, or group of states on a specific issue.

The emphasis on leadership as an interactive process in which followers have a major role to play is underscored by the diverse literature on leadership over the last few decades. Overviews of the literature on leadership argue that a leader ‘retains his status to the extent that he meets the expectations of other active group members’ (Gibb 1969: 202) and that leadership is ‘essentially a collective enterprise’ (Rosenbach and Taylor 1989: xiv; see also Boehm and Staples 2005; Lührmann and Eberl 2007). Political scientists,
such as Burns, (1978: 19) stress the need for the ‘motives and goals of political leaders and their followers to be congruent’. Similarly, Richard Rose argues that ‘the leader must conform to the already established expectations of his followers’ (1962: 265). These points apply equally to the leadership of states or groups of states at the regional and international levels.

A further point that arises out of the literature is that leadership is contextual; in other words, the context or situation has a direct bearing on the nature of interactions between leader and followers (Bagheri and Pihie 2011: 448–449; Kempster and Cope 2010; Stogdill 1974: 167–169). Hence, in terms of leadership at the regional and international levels, as the international situation evolves and the needs and concerns of follower states change, so they may turn to different leaders to help them solve specific new problems. This feature of leadership explains why some states are ignored as possible leaders at some times and on some issues but sought out as leaders at other times and on other issues. To appreciate fully the leadership role being filled by a particular state at any level in the international system, the views of the follower states and the issues that preoccupy them must be taken into account. Most especially, the question needs to be asked whether there are other states willing to actively sign on to the initiative put forward by the potential leader.

Finally, Oran R. Young posits three types of leadership, two of which are particularly helpful in understanding ASEAN’s leadership role in East Asia. First is structural leadership, which is tied to ‘power based on the possession of material resources’ (Young 1991: 287–288). Given ASEAN’s lack of material power, this form of leadership is not really applicable here. Second is entrepreneurial leadership, which entails bringing ‘willing parties together . . . for the benefit of all’; and third is intellectual leadership, which makes use of ‘the power of ideas to shape the way participants . . . understand the issues at stake and to orient their thinking about options available’ to deal with the problems at hand (Young 1991: 288). These last two forms of leadership provide a very useful way of exploring ASEAN’s role in East Asian relations.

Relatively few analyses of leadership in the East Asian region have been undertaken to date. As Dent (2012: 274) observes, ‘Regional leadership remains a new and emerging field of study’. However, there were some analyses of Japan’s role as a regional leader with some making use of a leader–follower framework (e.g. Beeson 2001; Stubbs 1991; Terada 2001). More recently, analysts have turned to the potential for China, Japan or ASEAN to take on a leadership role in the East Asian region (e.g. Beeson 2013; Dent 2012; Jones 2010). Generally, the search is for a state or, as in the case of ASEAN, a group of states that will lead on all fronts. ASEAN’s weaknesses, especially on the security side, are invariably highlighted. Those from the realist school are especially critical (e.g. Jones and Smith 2007). There is also a tendency for analysts to set up a straw man arguing that ASEAN should do more than simply be ‘ineffectual’ (Jones 2010: 95).
In contrast, this analysis builds on Alice Ba’s approach to emphasize how ASEAN has exercised intellectual and entrepreneurial leadership by advocating a particular set of norms that should govern regional inter-state relations and at the same time increasing the quality and density of the process for examining ways of solving, or at least better managing, regional problems (Ba 2009, 2010).

For the purposes of this analysis of the building of East Asia’s regional institutions, leadership, as opposed to hegemony, will be taken to mean a process in which one state or group of states in the international system facilitates problem-solving through proposing and helping to execute a course of action in accord with the interests and expectations of a number of other states in the system. In order to assume a leadership role, a state must have the capability, in terms of the necessary resources, to take the initiative in solving problems; the willingness to shoulder the leadership role; and the cooperation of follower states in the actions that are taken. The focus of analysis, therefore, will not only be on the leader but also on the follower states and the interaction between them.

Regional leadership in East Asia

Leadership vacuum

In the decade after the end of the Cold War leadership in East Asia was a scarce commodity (Jones 2010: 98). No state in the region felt able or was willing to step forward and provide leadership. East Asia was increasingly being knit together by the economic linkages of region-wide production networks created by Japanese firms relocating throughout the region and by the expansion of ethnic-Chinese business networks. However, the major economic powers of the region, Japan and China, were unable to fill the regional leadership void. Neither Japan nor China belonged to ASEAN. APEC was too large and covered too much territory outside the region for either Japanese or Chinese governments to be able to use it as a vehicle for regional economic leadership.

Within the region, Japan was thought by some, including most particularly Malaysia, to be a candidate for regional leadership (Stubbs 1991). Japan clearly had the resources. As the second largest economy in the world, after the USA, Japan was seen by many in East Asia as the main engine of growth. By the late 1980s, Japan provided over 60% of all the bilateral Official Development Assistance received by the countries of Southeast Asia (Rix 1989/1990). In 1989, ASEAN members received US$4.6 billion in Japanese foreign direct investment (FDI), and by 1994 the amount of FDI going into ASEAN was over US$5.3 billion (ASEAN Centre 1997). Moreover, Japan was importing a rapidly increasing amount of manufactured goods from East Asia. It was, therefore, not unreasonable for governments of the region to see Japan’s growing economic capability and to look to it for a
greater measure of regional leadership. Indeed, it was this assessment of Japan’s increasing capacity to take on a leadership role in the region that led Dr Mahathir, the Malaysian prime minister, to propose the establishment of an East Asian Economic Caucus (EAEC) led by Japan.

However, within Japan there was no real appetite for regional leadership. There were a number of reasons for this reticence. First, the Japanese government feared that taking a leading role in a new East Asian regional arrangement would put at risk the strong links with the USA it had been built up since the World War II. Second, the Japanese government was concerned that support for a regional economic association might jeopardize its global markets by encouraging Europe and North America to become more restrictive in their trade policies. Third, senior Japanese officials and politicians were aware of the hostility in the East Asian region towards Japan created by the legacy of colonialism and militarism during the first half of the twentieth century. Finally, there were also doubts expressed that the consensus politics practised by the Japanese could allow the necessary decisive initiatives needed to make Japan a regional leader. In other words, although Japan may have had the capacity to be a regional leader, it lacked both the will and Young’s entrepreneurial and intellectual leadership inclinations (Higgott and Stubbs 1995; Preston 1995; Rapkin 1990a; Stubbs 1991; Young 1991). And while some countries in East Asia were prepared to support a leadership role for Japan, others feared a resurgence of Japanese militarism or felt that Japan had not sufficiently atoned for past atrocities. They were not, therefore, willing to cooperate actively with Japan in any leadership role.

The other major power in East Asia, China, had neither the capability, nor the willingness, to take on the role of regional leader. The Chinese economy only began to take off in the mid-1990s, spurred on by becoming the largest developing-country recipient of FDI and by the 1994 devaluation of the renminbi. Its economic situation during the 1990s meant that China did not really have the economic capacity to develop region-wide initiatives that might command support from other East Asian countries. Moreover, during this period the Chinese government was not particularly interested in taking the lead in the East Asian regional economy. It was too preoccupied with its application to the newly established World Trade Organization, and managing its uneasy but developing relationship with the USA.

Just as importantly, few governments in the region were enthusiastic about following any lead that the Chinese might provide. This lack of enthusiasm made it difficult for China to exercise entrepreneurial leadership even had it wanted to. China was still perceived as a potential threat, in both military and economic terms. On the military front, China had increased its military spending, especially on new weapon systems and its naval capability. Just as significant for the countries of Southeast Asia was China’s claim of sovereignty over the South China Sea and the clashes that took place throughout the early 1990s over who should control particular
parts of the Spratly Island archipelago. In addition, of course, the prospect of a confrontation between the USA and China over Taiwan posed a potential problem for all countries in the region. The economic threat was viewed as even more of a concern. With the economic reforms taking hold and China moving out of the 1990–1991 recession, the Chinese economy started to become a formidable competitor for the labour-intensive export manufacturers in such Southeast Asian countries as Thailand, Malaysia, Indonesia and the Philippines. On top of this, the ASEAN economies were clearly losing the battle with China to attract FDI.

The only other possible regional leader was the USA. It clearly had the capability to exercise leadership on a number of economic and security issues but there was also a series of drawbacks. The USA was obviously outside the region and there was a growing sense that the region itself should deal with its own problems. In the immediate post-Cold War period, US interest in Southeast Asia appeared to wane. This was prompted partly by US withdrawal from its two major bases in the Philippines under pressure from nationalists in 1991–1992 and by its increasing focus on Northeast Asia. However, while this attention was welcomed by its long-standing allies, Japan and South Korea, China and the communist states of Southeast Asia remained extremely wary of US post-Cold War intentions. It was not clear, therefore, that the USA could command the sort of acceptance by East Asian states necessary to rally support for its leadership in solving specific problems.

This assessment of regional relations in East Asia directly after the end of the Cold War in 1989 suggests that ASEAN stepped into a leadership role in the region essentially to fill a void. Yet ASEAN did not attempt to provide leadership across the board. Rather it provided entrepreneurial and intellectual leadership on the very specific issue of developing regional forums for getting East Asian states together to seek out ways of managing some of the region’s most pressing economic and security challenges.

**ASEAN’s strengths**

What is it that ASEAN brought to regional institution-building that made it so pivotal to the process? Indeed, what was it about ASEAN that allowed it to be considered a legitimate leader by others in terms of regional institution-building? Certainly ASEAN did not have the conventional capabilities that are usually associated with leadership. None of its members could be considered major military or economic powers. Yet ASEAN did have the ability to bring ‘willing parties together … for the benefit of all’ and to use ‘the power of ideas to shape the way participants … understand the issues at stake and to orient their thinking about options available’ particularly in terms of the process to be followed to find ways of managing problems and the factors to be considered in determining solutions (Young 1991).
First, by the 1990s ASEAN was very much an ‘entrepreneurial’ leader. It had developed the valuable capacity to organize successful regional consultations. From its inception in 1967 to the first heads of government meeting in 1976, ASEAN slowly emerged as an effective regional organization. It provided a framework for negotiations over regional conflicts; it allowed for the coordination of bargaining positions at international forums such as the General Agreement on Tariffs and Trade (GATT), as well as negotiations with the EEC, Japan and Australia over trade and aid issues; and it was the forum in which member states agreed to attempt to dissuade the major powers from involving non-communist Southeast Asia as proxies in the Cold War. From 1976 to the end of the Cold War in 1989, ASEAN consolidated its role in the region and started to develop regular links to major powers around the world. Notably, after Vietnam invaded Cambodia in December 1978, ASEAN coordinated efforts to isolate the Hanoi government in the United Nations and to make it impossible for Vietnam to gain access to international capital and aid from key donors and international agencies. By its actions in the face of the Cambodian crisis, ASEAN gained a stature in the wider international community which served its members well. Collectively, the members of ASEAN were increasingly viewed as a group that carried weight in debates in international forums.

ASEAN’s organizational capacity on a wider regional stage was further honed with the establishment of the APEC forum. Formed at a ministerial meeting in Canberra, Australia, in 1989, APEC brought together economies from around the Pacific Rim, including the United States and Japan as well as countries such as Australia, Canada and New Zealand. In advance of the inaugural meeting, a number of ASEAN governments had expressed concern that APEC might overshadow ASEAN. As a consequence, and in order to ensure that the ASEAN members joined APEC, it was agreed that the next meeting of APEC would be held in Singapore in 1990 and that an ASEAN member would host APEC every second year. With APEC’s agenda driven each year by the host country, this arrangement has given the ASEAN members considerable experience in successfully running major international conferences.

Hence, it was to ASEAN that any promoters of an idea for a new regional institution turned. ASEAN members had the political will to act, a process in place for consultation, and the legitimacy to gain widespread acceptance for any new initiative. For example, the ARF was the product of suggestions made by Australia, Canada and Japan, but was essentially an outgrowth of ASEAN’s annual consultation with its dialogue partners. Similarly, ASEM was put forward by Singapore and France and built on ASEAN’s reputation as the organization representing a strategic and economically vibrant part of the world. And the APT grouping grew out of the need for the Asian representatives at the first ASEM in Bangkok in 1996 to develop a common position to present to the European states and Malaysia’s initiative, during the months prior to the Kuala Lumpur...
ASEAN Summit of 1997. Developing a common position entailed in asking the leaders of China, Japan and South Korea to attend on an informal basis (Camroux and Lechervy 1996; Stubbs 2002; Yuzawa 2012). More recently, the ADMM and the ADMM Plus were ASEAN’s regional responses to the London-based International Institute for Strategic Studies’ successful Shangri-La Dialogue held annually in Singapore (Capie and Taylor 2010: 371–372). Overall, then, ASEAN has been central to the creation of new regional institutions.

At the same time, ASEAN members have overseen a ‘thickening’ of regional institutions (Amin and Thrift 1994) through the propagation of meetings, committees, councils, working groups, panels, projects and programmes. For example, the number of ASEAN-sponsored meetings grew from around 300 in 2000 to over 700 in 2007 (Stubbs 2009: 242) This bracing and buttressing of the various regional institutions, as well as the creation of ever increasing linkages among them (Krasner 2009: 96), has enabled East Asia’s regional institutions, while limited in European terms, to bring members of the region together to solve their problems. Achieving this process density (Ba 2010) has another benefit. Certainly, in Putnam’s (1995) terms, regional social capital has been generated as East Asian politicians, officials, business people, think tankers and members of NGOs golf, dine and participate in karaoke together. These personal contacts have been crucial to managing tensions and seeking solutions to regional problems. Creating the institutional infrastructure within which these personal networks can be developed has been one of ASEAN’s major achievements.

Second, ASEAN has acted as an intellectual leader. Crucially, the Association has developed a set of norms about the way in which states should treat one another in regional relations. These norms, which served to define and regulate appropriate inter-state relations among ASEAN members, had a long lineage. They were rooted in the colonial experience and the perception of regional governments that they had been pawns of the major powers during the Cold War years. The product of a series of conferences around Asia in the late 1940s and throughout the 1950s, especially the Bandung Conference of 1955, these norms were formalized in the Treaty of Amity and Cooperation (TAC), signed at the first ASEAN summit in Bali in 1976. The TAC sets out principles by which countries that accede to the Treaty deal with one another. These principles are as follows: respect for the independence, sovereignty, territorial integrity and national identity of all nations; the right of states to be free from external interference; non-interference in the affairs of one another; the renunciation of the threat of force; and the peaceful settlement of disputes (see Acharya 2005; Mackie 2005; Stubbs 2008).

In addition to this formal code of conduct, ASEAN members developed an informal code that tends to govern regional meetings and negotiations more generally. This informal code involves ‘a high degree of discreteness, informality, pragmatism, expediency, consensus-building and non-
confrontational bargaining styles' (Acharya 1997: 329). Emphasis was also placed on consultation, and compromise with negotiations being undertaken in a discrete manner (Severino 2006: 34–37).

Allied to the TAC norms of respect for sovereignty, territorial integrity and national identity of all nations, and the right of all states to be free of external interference is the importance of state autonomy. Although Emmers (2003: 6) is correct that ‘analysts should not underestimate the persistence of realist beliefs among political leaders’ in the region, the quest for autonomy has encouraged ASEAN members to think of power not in terms of the ability to dominate or control others but in terms of ensuring that they are not themselves the object of domination, coercion or pressure (Eaton and Stubbs 2006). Developing regional organizations that encourage common action on issues is one way of achieving this goal. Indeed, as Terada (2012: 364; see also Severino 2006) has pointed out, the APT alone covers 20 policy areas from transportation to infectious diseases to the environment, and of course the ARF and the ADMM Plus also cover a series of regional security issues.

The norms espoused by ASEAN have resonated with other states in East Asia. China, for example, as a result of its modern history as a semicolonized country and a target of US containment policy during the Cold War, was extremely sympathetic to ASEAN’s approach to regional interstate relations and negotiations. As a former Secretary General of ASEAN, Severino (2006: 279), observes the Association’s norms for interstate conduct ‘dovetailed with the Five Principles of Peaceful Coexistence formulated by China in the 1950s’. They were also the basis of the 10 principles found in the final communiqué of the 1955 Bandung Conference, in which the Chinese Premier Zhou Enlai was a principal player, and were lauded by Premier (Wen 2004: 364) in a speech in 2004 commemorating their 50th anniversary (Thomas 2009: 120–123). China was also the first major power to sign onto the TAC. Other Asian states, such as India, Japan and South Korea, quickly followed suit. For China signing onto an ASEAN-led approach to regional institution-building that emphasised a common set of norms was eminently reasonable.

Significantly, the East Asian regional institutions that have been developed by ASEAN have allowed members to keep in check any bilateral leverage that China or Japan may have over them. As Alice Ba (2009: 240) puts it, ASEAN has been able ‘to nest collective ASEAN’s bilateral relations with China [and Japan] within a wider regional framework’. In other words, the norms propagated by ASEAN have encouraged China and Japan – as well as the USA, which has also signed the TAC – to recognize a significant degree of autonomy for its members while at the same time bringing the two major powers into East Asian institutions and promoting regional cooperation.

Third, and counter-intuitively in terms of leadership, one of ASEAN’s clear strengths is its structural weakness compared to its powerful
neighbours, China and Japan as well as compared to the USA. Within ASEAN there is not one member who might be considered a regional hegemon or major power. Indonesia, the largest country in the region by population and land mass and sometimes viewed as the dominant regional power, also has the lowest per capita income of ASEAN’s original members and a limited military capability to operate much beyond its borders. Singapore has the highest per capita income and the most technologically sophisticated military of the original members of ASEAN, but is also the smallest in terms of population and land mass (Emmerson 1987). Hence, ASEAN, even collectively, poses no threat to any of its neighbours. In many ways ASEAN is seen as neutral territory on which China and Japan – and when appropriate India, the USA and in some circumstances North Korea – can meet and negotiate. While none of the major powers trust any of the others, they can all trust ASEAN, both because of the norms it espouses and because its members cannot, either singularly or collectively, dominate any other state in the region.

Supplementing the above three arguments that emerge from making use of Young’s (1991) examination of leadership, are two further propositions about ASEAN’s internal and external relations. First, despite the diversity of its membership, in terms of UN General Assembly voting patterns ‘ASEAN presents a remarkably coherent face to the other regions of the world where global issues are concerned’ (Ferdinand 2013a: 11). This coherence helps to reinforce its role as a leader in East Asian region-building. As a former ASEAN Secretary General has noted, ASEAN’s ‘solidarity has magnified [its] influence in the world to an extent that would not be possible for each individual member acting alone’ (Severino 2006: 36). Moreover, ASEAN members’ voting patterns at the UN General Assembly are very close to those of China suggesting that the relationship is becoming important for ASEAN’s pivotal role in regional institution-building (Ferdinand 2013b: 15; see also Chin and Stubbs 2011). Second and relatedly, ASEAN’s leadership in regional development has also been accepted by China and Japan. Their acceptance is in good part because both need the ASEAN members as followers in terms of regional initiatives with regard to finance and trade. Similarly, China and Japan need followers if they ever want to be considered global leaders. Both the Chinese and Japanese governments reiterate the point that it is ASEAN which is ‘in the driver’s seat’ when it comes to deciding the pace and direction of East Asian regionalism (Wain 2011; see also Jones 2010; fn. 4).

The argument is that ASEAN has brought to the leadership process a willingness to explore options in terms of regional institution-building, and a capacity to develop the infrastructure needed to hold the many meetings that this process required. The ‘followers’ were prepared for ASEAN to take on the role of regional leader in regional institution-building because of its capacity and success in past endeavours as well as its norms of non-confrontational, informal negotiations and respect for the sovereignty of
individual countries. Moreover, neither ASEAN nor its members threatened those who allowed ASEAN to take the lead in developing regional organizations. ASEAN essentially met the expectations of the follower states in promoting regional cooperation to manage regional problems.

**Consequences of ASEAN leadership in regional institution-building**

In practical terms, ASEAN’s ‘driving’ the institution-building process in the development of East Asian regionalism has a number of important consequences. First, as a result of ASEAN’s strong commitment to the norms of sovereignty, territorial integrity and non-interference, what has emerged is closer to the cooperation end than the integration end of the cooperation—integration continuum. Certainly, ASEAN norms mean that there is relatively little pooling of sovereignty compared to the European Union. Moreover, in this ‘soft regionalism’ (Vogel 2010), there is only a very limited role for a central secretariat. Some analysts, of course, see this as a major problem (e.g. Jones and Smith 2007; Jones 2010), but it is a characteristic that has clearly appealed to many of the states that have followed ASEAN’s lead and joined the various East Asian organizations. A more regimented, public, legalistic approach to regional problem-solving might well have frightened a number of states away. Its emphasis on the widely shared East Asian norms of informal and non-confrontational negotiations, and respect for sovereignty and non-interference, helps to account for ASEAN’s successful leadership in terms of regional institution-building.

Second, ASEAN’s leadership on the issue of regional institution-building is very much part of a larger regional enterprise in which leadership is exercised on an issue-by-issue basis. Because ASEAN sets up the framework for consultation in the region does not mean that it is automatically responsible for solving, or even attempting to manage, all the region’s problems. Certainly, ASEAN’s member states do not appear to think this way. For example, during the Asian Economic Crisis, several Southeast Asian governments believed that Japan, with all its vast financial resources, had the capacity to help them manage their economic problems. Indeed, with its proposal for a US$100 billion Asian Monetary Fund (AMF), Japan initially appeared to be assuming a leadership role in the crisis. But, in December 1997, after sharp criticism from the US government as well as from China and some European governments, Japan abandoned its initiative. The failure of will on the part of the Japanese government was severely criticised by regional governments. As Christopher W. Hughes (2000: 246) notes, at the APEC summit in Kuala Lumpur in December 1998, ‘the East Asian states continued to chastise Japan publicly for its reluctance to use its economic power to rescue the region economically’.

Third, ASEAN’s provision of regional institutional forums in which issues can be discussed and solutions to problems sought has helped to persuade major powers such as Japan and China to take on more prominent
roles in terms of specific regional concerns. The recognition that Northeast and Southeast Asia were inextricably linked was underscored by the Asian Financial Crisis of 1997–1998 and forced Japan and China to re-evaluate their reluctance to take on regional leadership roles. Moreover, China’s rapid economic growth gave Beijing the resources to undertake a more prominent regional role and forced Japan to respond in kind so as to ensure that China did not become the regional leader by default. As a result, on financial issues Japan led the way in the post-Financial Crisis period in terms of promoting the Chiang Mai Initiative (CMI). The CMI provided a safety net in case of future economic crises in Southeast Asia. And as the CMI was converted into the CMI Multilateralization (CMIM), China took on an equal role along with Japan in providing leadership on this central regional financial issue which had preoccupied ASEAN’s members in the wake of the Asian Financial Crisis (AMRO 2012; Ciorciari 2011; Grimes 2011).

On the issue of trade agreements, China led the way as far as ASEAN was concerned. The ASEAN–China Free Trade Agreement was signed in 2002 and the ASEAN–China Free Trade Area (ACFTA) came into effect in 2010. The process of negotiating the ACFTA prompted a series of preferential trade agreements between various East Asian states. However, as the Chinese economy has provided the most rapidly expanding market for all regional states especially the ASEAN members, most states in the region have welcomed Beijing’s leadership role (Chin and Stubbs 2011; Thomas 2012). Moreover, China also led the way in pulling the region out of the Global Financial Crisis of 2008–2010. The effects of China’s November 2008 massive stimulus package and the Chinese government’s general approach to riding out the Great Recession had a substantial economic impact around East Asia. Malaysia’s Deputy Finance Minister, Chor Chee Heng, stated that China had become a major destination for ‘Malaysia’s exports which greatly helps in lifting Asia’s economy in times of crisis’ and that China’s stimulus package had ‘created more demand and opportunities for ASEAN businessmen’ (People’s Daily Online 2009; see also EIU 2009). And with Chinese imports rising to US$767 billion in 2009, up by over 47% from a year earlier (Xinhua English News 2010), the economies of East Asia were clearly pulled out of the Great Depression by the Chinese economic locomotive. This process continued into 2010 with a further substantial increase in China–ASEAN trade (Financial Times 2010).

More broadly, China, supported by the ASEAN states, has recently promoted the Regional Comprehensive Economic Partnership (RCEP). Its potential members are the APT states as well as Australia, India and New Zealand. RCEP is essentially an East Asian-centred set of negotiations that emphasize tariff reductions but which also focuses on a more flexible, measured and less domestically intrusive free trade agreement than the competing set of negotiations around the US-led Trans-Pacific Partnership (Armstrong 2013; Stubbs and Mustapha 2014).
On security issues, the question of leadership is more difficult to delineate clearly. Some ASEAN states still look to the USA to provide leadership and Washington has taken up positions that ASEAN members find helpful on a number of key issues such as the recent clashes over the South China Sea and the Senkaku/Diaoyu Islands. However, ASEAN members are not completely wedded to the idea of giving the USA unqualified support. Long-standing norms around limiting the role of major powers in Southeast Asia mean that USA is welcome to help keep regional order but not to impose its will on regional governments. Nor, of course, can China’s increasing military strength be discounted. The Chinese government is clearly determined to play a strong role in East Asia’s security. Yet, it remains to be seen how many ASEAN members are willing to follow China’s lead on regional security issues.

With no obvious regional leader on security issues emerging, almost by default ASEAN has stepped into this role. The Association achieves this position by maintaining the infrastructure for discussion and negotiation. It also does it by promoting norms, such as the need for the peaceful settlement of disputes and respect for territorial integrity, that are intended to diffuse tensions (Acharya 2009; Caballero-Anthony 2005; Stubbs 2008). ASEAN is allowed to lead the other regional states because they distrust everyone else. With the exception of a few very minor incidents, ASEAN’s approach has to date been largely successful (Kivimäki 2011). However, without structural power ASEAN’s ability to provide regional leadership in dealing with security challenges, in the sense of proposing a course of action, executing it and have others agree to a course of action, could be limited. ASEAN’s leadership in developing regional institutions does not automatically mean that in the future it will be able to solve regional security problems.

Conclusion

Three concluding points can be made. First, in examining ASEAN’s leadership role in East Asian regional institution-building, it is crucial to set out a clear understanding of what is meant by leadership. This analysis has emphasized the extent to which leadership is a process that is bound up with followership and the expectations of followers about managing, or finding solutions to, common challenges. Moreover, leadership has to be distinguished from hegemony. Hegemony is the general preponderance, either by force or persuasion, of one state over others either globally or regionally, while leadership is thought of as a process in which one state or group of states in the international system facilitates problem-solving by proposing and helping to execute a course of action in accord with the interests and expectations of a number of other states in the system. There is, then, no hegemon in East Asia. On the other hand, leadership is
exercised on an issue-by-issue basis. Leadership in the region is a collective enterprise in which problems or challenges are addressed by all with one state or group of states taking a lead depending on the issue at hand. For ASEAN members collectively, in East Asia, the issue is regional institution-building.

Second, ASEAN, through entrepreneurial and intellectual leadership, has established the infrastructure and ideational basis for regional consultation and decision-making. Under ASEAN’s leadership, the density of regional institutions has grown appreciably as the number of meetings, committees working groups and other mechanisms of interaction have increased. In other words, the opportunities for briefings, discussion and debate have meant that key regional issues can be aired in the informal, non-confrontational manner that the members of the East Asian region appreciate. Just as significantly, the linkages between institutions have grown, creating further opportunities for consultation and the management of issues.

Finally, while it is certainly true that ASEAN has gained influence over specific policies by sponsoring the array of East Asian regional institutions, this should not be confused with leadership on all substantive issues with which East Asian states currently grapple. Having regional institutions operate according to ASEAN norms has clearly ensured that ASEAN is able to shape the way issues are discussed and ensure that the outcomes are not against ASEAN members’ interests. Furthermore, ASEAN has set up the regional institutions so that its members invariably act as the host for the major meetings, meaning they set the agenda. Of course, ASEAN members take care of agenda-setting through consultations, often with the major players such as China and Japan. However, in the end, member states can influence what is discussed. Hence, ASEAN does have influence on specific issues, such as economic challenges, but it certainly does not exercise leadership on all these issues.

Analysts who discuss leadership in East Asia without acknowledging the crucial role played by ASEAN in region-building miss an important dimension of what is happening in the region (e.g. Dent 2012). Similarly, those analysts who expect ASEAN to play a leadership role in terms of managing or solving major security and economic problems just because ASEAN is at the heart of the institution-building process expect too much (e.g. Jones 2010). It is important to give ASEAN credit for what it has done and not blame it for failing to achieve what others, whether they are practitioners or analysts, want it to do.

Acknowledgements

The author would like to thank a number of government officials for their thoughts on the issues discussed here; Sorin Mitrea for research assistance; and Amitav Acharya, Greg Chin, Sorpong Peou and Grace Skogstad for
raising points in discussing the topic of this analysis. Diane Stone was especially helpful in commenting on the original draft of the paper. I am also grateful for the comments of an anonymous reviewer for *Pacific Review*. Of course, I alone am responsible for errors in fact or interpretation.

**Funding**

This research was funded by the Social Science and Humanities Research Council of Canada.

**References**


