

THE EAST ASIA COMMUNITY: IMPOSSIBLE DREAM, SOUGHT BY FEW

The East Asia Community of nations, contiguous with the Asian land mass, from Japan to India, is not achievable. From the various or combined perspectives of political association, economic integration or regional security, the national interests of all major and most minor players clash sufficiently to prevent productive and worthwhile association.

An East Asia political association of shared geo-strategic objectives and acceptance of a hierarchy of power and influence is not possible without the concurrence of China and Japan and the ASEAN 10.

An effective East Asia economic community, one that measurably optimizes the benefits of regional economic cooperation, is not possible without the participation of the US economy.

An East Asia security community cannot be built absent mutual trust, shared fundamental values and an acceptance

of military leadership by the most militarily powerful players, currently Japan and China, leaving it to the non-Asian power of the United States.

An East Asian community based solely on an amorphous 'Asian identity' such as is proposed by the Malaysian East Asia Community notions is not acceptable to Japan. This is one of the reasons Japan was so active in promoting Australian, New Zealand and Indian participation at the Kuala Lumpur East Asian Summit in December, and why ASEAN and ultimately China concurred to their presence.

That said, centripetal dynamics arising from geography, the need to manage transnational problems, economic integration and security concerns results, at this point in history, in the development of three communities centered in East Asia:

ASEAN, and its growing constellation of regional political and economic linkages;

the Asia Pacific economic community, driven by economic regionalism and generally co-terminus with APEC; and, the trans-Pacific security community, led by the United States, and including Japan, ROK, the Philippines, Indonesia, Singapore, Thailand and Taiwan.

These, in the early years of the 21st century, are the defining communities of East Asia. The formal East Asia Community, heralded at the Kuala Lumpur Summit last December, will not in the foreseeable future supplant any of the existing groupings. It will likely build Asian identity, and strengthen ASEAN's continuing role as the only acceptable East Asian convening power. As long as Asia's Leaders attend both the EAS and APEC Summits, it will also sustain the strength of the Asia Pacific economic community.

For Canada, the policy consequences are clear. Our economic integration with the region is small and not growing in tandem with the dominant rates of the region. As an ASEAN Dialogue Partner and active ARF participant, we have a place at the table in South East Asia, even if we cannot lead. We share many of the values of the transPacific security community, have residual responsibilities for the Korean armistice, but we have no legally binding commitments to the region's security, unless the UN mandates otherwise.

The economic link is the strongest of the three. We must play the APEC card for all that it is worth, providing imaginative intellectual leadership, organizational focus and sustained energy. Our close association with the United States on matters of security also provides us with credibility in a region where US power will remain supreme for a generation at least.

We cannot not be in Asia and we cannot not play a central role in the one community of which we are a charter member.

In December of last year, the Leaders of the ASEAN plus 3 countries of China, Japan and Korea, along with Australia, New Zealand and India, met in Kuala Lumpur and issued a Declaration on the East Asia Summit. Interested governments from around the world, a large press contingent, and the strategically inclined business, military and academic classes that follow these things sought to determine, from the diplomatically neutral language of the Declaration and the Chairman's Statement, whether the first stirrings of a full fledged and clearly identifiable East Asia Community could be discerned.

Few asked what the purposes of a greater East Asian community might be, or whether any single grouping of such diversified countries and societies might meet all of the contemporary needs of developed and developing states in this era of irresistible and complex interdependence.

Indeed, those who were looking for evidence of an emergent community coming out of Kuala Lumpur and who claimed not to

have found it weren't looking at the right places. Significant, acknowledged, shared and dynamic interests underpin relations in East Asia, and the Summit was one component among many shaping relations among the countries of the region. To suggest otherwise is to ignore 60 years of history: post-WWII security arrangements spurred by the USA; the creation of ASEAN and its increasingly formal economic partnerships, and the broadening of its agenda through the ARF and ASEAN + 3; the embrace of the broader Pacific economic community through APEC.

Taken together, these and other institutions already provide economic benefits and interlocking political and security commitments and rules of behavior that contribute directly to the promotion of the "peace, stability and economic prosperity in East Asia" that the Leaders called for in Kuala Lumpur.

What does not exist in East Asia and will not likely develop is a purely geographic definition of East Asia, or an association that combines economic, political and security dimensions and is restricted to the Asian land mass. Such a community is not possible because of the variety of competing interests at play, not to speak of the standard listing of barriers and breaks to full Asian integration: different historical experiences and conflicting interpretations of their meaning, multiplicity of languages, religions and cultural heritages, vast geographic scope, the challenges posed by such natural barriers as

mountains and seas. The affirmation of an 'Asian identity', so important to Mahathir Mohammed's vision, is not sufficient. Regional integration is driven by the convergence of interests, not by the formation of an identity, although an identity may emerge over time.

What we have in East Asia are three communities, with overlapping memberships and a matrix of common and competing interests. The centripetal force for all such communities and associations are identical to those found in other regions of the globe: enhanced security; compatible political interests and objectives; the promotion of common economic interests; fundamental values and perspectives. It is unusual, however, for all three of these sets of objectives to be conveniently conjoined. Notably, such a convergence still does not exist in the EU, on matters of security, where NATO remains a separate organization, not geographically contiguous with the European Union.

In East Asia, the significant communities, those that shape the regional and international environment are:

1. ASEAN;
2. the Asia Pacific economic community, whose membership straddles APEC; and
3. the Asia Pacific security community of countries and territories which have close security relationships with the United States.

Each of these communities has significant strengths and contributes actively to the interests of its members. Of equal importance, and largely because of overlapping memberships, these three communities can and do act in harmony, if not in concert, to provide the underpinnings for the long-term development of peace and security in the region.

Rather, what will provide the countries of the region the stability and economic benefits that they seek will be a matrix of the three communities which can act successfully with each other to achieve the same ends, even absent the undeniable elegance, simplicity and attraction of a geographically defined "Asian Community".

THE ASEAN COMMUNITY: Political leadership

The first and, in many ways even today, the principal political driver of integrative trends in East Asia is ASEAN. It has achieved and maintained its primacy through policy initiatives as much as through fortuitous circumstance, both internal and beyond its membership.

ASEAN is a community that has been built in stages. Its first incarnation was the formative grouping of 5 Southeast Asian nations in 1967: Indonesia, Malaysia, Philippines, Thailand and Singapore. The driving force then was the need, shared

primarily by Thailand, Malaysia, the Philippines and Indonesia, to move beyond a set of bilateral relations overly preoccupied by border disputes, and to start addressing, through regional cooperation, their shared economic and social objectives of growth and prosperity. Also present in the back ground, and providing powerful motive forces towards greater cohesion were the shared concerns about the chaotic situation in China, then in the worst throes of the Cultural Revolution, the recent Communist inspired turmoil in Indonesia and the uncertain outcome of the Vietnam War.

Significantly, then as now, this nascent community did not seek to agree on explicit security arrangements within the context of their closer association. This reflected their respective, and very different, security policies at that time. Malaysia and Singapore retained close ties with Britain. Indonesia was still emerging from "confrontasi", Thailand was a significant staging area for the US in Vietnam and the US Air Force launched Rolling Thunder missions from the Clarke Air Base in the Philippines.

The military dimensions of the security concerns were not to be addressed by ASEAN, nor was external military involvement encouraged - indeed, the founding Bangkok Declaration stated that 'all foreign bases are temporary'. In 1971, ASEAN

went further, stating in the Zone of Peace, Freedom and Neutrality declaration that the region would be 'free from any form or manner of interference by outside Powers'. Rather, security, initially, would be enhanced through efforts at increasing economic and political interdependence. Still, individual ASEAN members, then as now, could forge or maintain national security policies that relied on outside powers, specifically, the United States. ASEAN as a group however eschewed such linkages.

From the outset, ASEAN would remain an open organization, explicitly inviting the participation of other Southeast Asian countries, with the result that today it groups 10 countries. Furthermore, ASEAN would and did develop formulas to promote associations with non-Southeastern countries. The Treaty of Amity and Cooperation in 1976 extended an invitation for cooperation to all nations, 'both within and outside Southeast Asia'. Today, ASEAN has 11 Dialogue Partners, including far-flung Canada, the EU and Russia. The Foreign Ministers of these 11 partners dutifully troop down to the annual meeting with their ASEAN counterparts in one of the region's capitals. Their gatherings have spawned another major regional dialogue mechanism, the ASEAN Regional Forum, whose approach to issues of peace and regional security is firmly grounded in the ASEAN principles, whereby purely military approaches to regional security are not entertained.

The agenda rather concentrates on transparency and dialogue.

ASEAN's field of endeavor would be broad and flexible: economic, social, cultural, scientific, education, trade and industry, transportation, communications at the outset, and now various dialogues on such issues as agriculture, customs, dispute settlement, finance and so forth. These have provided the underpinnings of ASEAN Free Trade Area, the ASEAN Economic Community, the ASEAN-China Free Trade Area, and an agenda of negotiations with Japan, Australia and New Zealand.

ASEAN's power is political, not economic, and rests on several pillars:

the principles propounded by ASEAN - gradualism, openness, functional partnerships, collaboration through cooperation rather than legally binding commitments, consensus decision-making, security through economic growth and cooperation - and its broad agenda encompassing economic, social, technical, scientific fields, underlie subsequent forms of regional association. Taken together, these principles have become known as the 'ASEAN Way'. ASEAN has thus

set the ground rules for collaborative institutional development for ARF, APEC and the new EAS.

over four decades, ASEAN has adapted its membership and its institutions to keep ahead of other centripetal forces that have emerged in the region.

it has developed an agenda that brings real-world benefits to its members, primarily through expanded and regional economic integration.

it has managed relations with the regional powers - the United States, Japan and now China and India - in ways consistent with the interests of these important players.

it has addressed security issues through economic integration, and through the soft agenda of the ASEAN Regional Forum, where the focus has been on elucidating concepts of 'common security' and 'mutual security', and encouraging transparency and CBMs.

force majeure, it has benefited from the fact that none among these four regional powers, because of competition among them, has comparable convening power.

ASEAN's current weaknesses - small economies, loss of investment to China, Chinese and eventually Indian competition at the bottom of the manufacturing chain - have not prevented it from developing its very expansive internal dynamics. Nor have its weaknesses diminished its convening power. It remains therefore a strong community. It risks becoming a weak community when the circumstances and political alignments pass the political leadership to one of the large powers, such as China, Japan, or India.

This is not likely to happen however for a considerable period of time. So ASEAN's immense significance remains. And thus its operating principles will continue to influence the manner in which other communities conduct their business.

THE ASIA PACIFIC ECONOMIC COMMUNITY: economic integration

It is not likely that the creators of ASEAN imagined that they were laying the ground-work for what would become the foundation stones of the Asia Pacific economic community. Nor is it probable that they foresaw the rapid economic expansion that North and Southeast Asia and the broader region would experience in subsequent decades.

The creation of ASEAN, in the 1960s, preceded by 10 years the growth in investment and trade among the countries of North and Southeast Asia and across the Pacific; by 20 years, the availability of communications and information processing technologies that would globalize manufacturing capacity and lead to even higher levels of economic growth in the region; and by 30 years the emergence of China as an economic and political giant.

The architecture of the Asia Pacific economic community may have emerged from ASEAN but the motive force has been economic development and integration. Australian, Japanese, American and Canadian academics in particular began noticing the gravitational pull among the Japanese, American, Taiwanese and Southeast Asian economies in the mid-1970s. By the late 80s, Australia organized a meeting of Ministers for the first informal dialogues aimed at discussing the phenomenon of integration, and possible means to optimize its benefits. The US invitation to the Heads of State of an emerging Asia Pacific economic community to meet at Blake Island in 1993 gave birth to APEC. The Leaders and APEC were largely playing catch-up. The Asia Pacific economic community is first and foremost an economic phenomenon. It consists of an immeasurably large number of linkages arising from the trade in goods and services, trans-national investments, corporate partnerships, R&D relationships, intra- and inter-company manufacturing supply chains, outsourcing of services. The process is primarily micro-

economic, autonomous, business-to-business, and the formative engine has been the vast economies of scale and efficiencies spawned by brand new and highly efficient communications technologies and the processing of information. Integration has also been advanced by extensive Japanese investments in the region, and the investments and trading activities of the Chinese diaspora, particularly in Taiwan and South East Asia.

Taken as a whole, the cumulative force of these contacts has transformed the regional and global landscapes. The initial processes have been micro-economic but the resulting phenomenon is macroeconomic, and the end result is trans-Pacific economic integration on an unprecedented scale. Illustrative of this transformation are such disparate factoids as: intra-East Asian trade dependence exceeds that of NAFTA; the USA is China's largest export market; a 1 % increase in Chinese GDP causes a 0.2% increase in that of Japan. Integration has social manifestations: today, over 35,000 Chinese and 50,000 Koreans are studying in Canada; and 51,000 and 19,000 respectively are studying in Japan.

While tremendously significant as an economic and, increasingly, a social phenomenon, one must ask two very important questions: firstly, does the business-led process of integration alone provide its own forward dynamic, optimizing the benefits to all participants, or

can government or non-government led institutionalization contribute to maintaining the momentum? And secondly, does such momentum serve other, non-economic purposes?

Not being an economist, I can spare the reader unenlightened musings about the potentially self-sustaining nature of Asia Pacific economic integration. But with regard to the first of these questions, what is unarguable is the fact that neither business, media or academic communities have thought from the outset that autonomous economic forces were sufficient to advance the region's economic development. As noted above, academics on both sides of the Pacific began studying regional integration in the 1970s. The business community was ahead of them, however. The Pacific Basin Economic Council, consisting of senior executives from around the region, was founded in 1967, with the express purpose of building linkages around the Pacific rim, and lobbying governments in favour of trade and investment liberalization. It was and continues to be a major promoter of APEC.

The Pacific Economic Cooperation Council has been gathering together senior business, government and academic players from around the region since 1980. It too has been a proponent of cooperation and policy coordination, in trade, investment, finance, human resource development and in the promotion of specific industry sectors.

But ultimately, only governments can undertake the structural and regulatory changes that business and academics consider essential to the optimization of regional economic integration. It is not surprising that Australia and Japan, whose economic and strategic interests are vitally linked not only to East Asia but also across the Pacific to the United States and the Americas, lead the intellectual and political processes essential to the establishment of regional consensus on the parameters of collaboration, with Australia launching a seminal ministerial dialogue, beginning in 1989. United States economic interests were considered sufficiently engaged that President Bush convened the first summit for Asia Pacific Economic Cooperation in 1993 at Blake Island, launching the process that we know today. Consciously or not, APEC adopted most of the principles established by ASEAN since its founding 26 years earlier: an expansive economic agenda, one which, consistent with ASEAN principles, as been broadened in response to APEC Leaders' priorities; an open attitude to membership (from 12 to 21 since 1989); focus on practical areas of collaboration; cooperation through consensus rather than legally binding agreements; limited attention to security agendas.

APEC did attempt legally binding "early voluntary sectoral liberalization" in 1999, but the effort failed to bridge the interests of the developed and developing members, nor did it attract sufficient support in the capitals that mattered the most. Tokyo was especially resistant to an APEC based initiative.

Still, as has been pointed out by David Mulroney, Canada's Senior Official from 2001 to 2005, APEC has driven a large number of low profile policy discussions - on matters of trade facilitation, best practices for regional and bilateral trade agreements, protection of intellectual property rights, transparency and anti-corruption, the Bogor Goals of liberalization of trade and investment in the region.

APEC's strengths - its economic focus and broadening policy agendas, its expansive membership, the attention of its national Leaders - are also its limitation. APEC does not have the cohesiveness of ASEAN. There is no consensus within APEC to address overtly political issues or security and defense issues. Even its economic agenda has been constrained: it has not succeeded, so far, in addressing such truly big economic issues as a comprehensive Asia Pacific trade agreement, or pressuring its members to refrain from undertaking bilateral or plurilateral trade agreements, pending a more regional approach. That role may potentially be played by the East Asia Summit, but that remains to be seen.

All that said, whether under the auspices of APEC or not, and despite an agenda that does not include political or security issues in any meaningful sense, it can be argued that the Asia Pacific economic community and APEC contribute significantly to all of those sets of objectives.

APEC is the only venue, excluding the United Nations, which brings together, annually, the leaders of China, Russia, the US and Japan, as well as the all of the largest trans-Pacific economies. As anyone familiar with summits is well aware, Leaders' are rarely constrained by the formal agendas put forward by diplomats as the proper subjects for discussion. Leaders use both formal and informal venues during their summits to discuss collectively or in smaller groups what it is that they truly have on their minds. Many a summit agenda has been side-tracked, to the frustration of officials, by Leaders who had their own definite ideas about what it was that they want to address.

This situation could not be better, no matter what Senior Officials think. (I speak from experience: I was Canada's SO from 1998 to 2001.) Leaders, those very few people who are where the buck stops, have in fact comparatively few regular opportunities for unscripted exchanges with the only other people in the world who share their Olympian and often lonely status. The personal linkages that Leaders develop at these summits can build the trust and mutual respect that is essential for the resolution of problems, some bilateral, that can far transcend the ostensible agendas of the communities of which they are members.

APEC and the forces of economic integration also reinforce the liberal view that the more countries trade with each other and collaborate on common endeavors, the less likely they will choose conflict and military solutions to solve their differences, as the cost of doing so becomes prohibitive. The development of shared norms and standards

influence state behavior, it is argued. Even if those promoting the optimization of economic integration through intergovernmental collaboration and rules rarely make the linkage, they do make it harder for others to argue that somehow less integration would provide greater economic benefits and more security. Rules, including those developed by outside institutions, such as the WTO, will manage conflict much better when they are explicit components of a shared community.

Accordingly, the Asia Pacific economic community contributes not only to economic development, but to strengthening political ties and enhancing a sense of security.

But as realists will be quick to argue, the forces binding such a community can be easily unraveled - remember that Sir Norman Angell's famous prediction about the impossibility of war among the economically integrated European nations was made in 1913. The eternal quest for security is also present within the countries of the region, and it is believed by some to require outright military alliances and close military to military collaboration in order to be assured. An Asia Pacific economic community does not, in the view of many, suffice.

The countries of East Asia, no more than the countries of Europe, have never been totally isolated from other regions of the world or from each other. While contact between Asia and the West was immensely accelerated following the commercially motivated and successful exploratory adventures of de Gama and Magellan - ushering the era of wind powered globalization - from Alexander the Great's mis-adventures in what is now India to Zheng He's 'public diplomacy' voyages to Africa and, who knows, the Americas, Asians, Europeans and eventually north and south Americans were aware both of the commercial possibilities and the potential challenges to security of empires, kingdoms and states.

Things are no different today. Even restricting our reflections to the post-World War II world, successive developments such as the US occupation of Japan and Korea, the Korean and Vietnam wars, transformative economic development, the rapid rise of China, and today, Muslim insurgencies and serious threats to maritime security in South East Asia, these have driven the development of national and regional security policies in ways that variously create extensive cooperation or competition in the region. Added to these dynamics are factors such as 20th century history, the variations of values and interests, and the continuing role of the geographic outsider, the United States. Taken all together, these create an extremely complex and dynamic security environment, one which results in a mix of formal and informal agreements that balkanize rather than unite the East Asian collection of

countries, and make the creation of a truly comprehensive community unlikely if not impossible.

The resulting arrangements are heterodox, to say the least.
US Lead Security

Japan, Korea, Australia and New Zealand have determined that their national security will be based in part on formal alliances with the United States. The ANZUS Alliance (1951), the ROK-USA Mutual Defense Treaty (1953) and the USJapan Treaty of Mutual Cooperation (1960) remain the treaty based foundations of American security policy in the region, even as the implementation and force commitments on all sides have evolved.

Between 1947 and 1992, the USA and the Philippines maintained a Military Bases Agreement that allowed the United States to operate Clarke Air Base and Subic Bay Naval Facilities, as well as several small subsidiary installations in the Philippines. But the requirement to update the agreement and the facilities ran aground in the Philippines Senate in 1991, resulting in the Philippines withdrawing host-nation support of US forces the following year.

US involvement in South East Asia remains significant, but is entirely bilateral in nature. Joint exercises (e.g. Balikatan in the Philippines; Cobra Gold in Thailand), Mil-Mil talks (primarily with

Singapore, the Philippines, Thailand and, anew, Indonesia), intelligence exchanges and law enforcement cooperation are entirely on a one-on-one basis. Efforts at multilateralizing or regionalizing these exchanges have had limited success.

US commitments to Taiwanese security are even more ambiguous. The extent of US commitment to protect Taiwan against possible Chinese aggression is defined somewhere between the Shanghai Declaration and the "Three No's" opposing Taiwanese independence, and the Bush Administration and various Congressional statements opposing the use of force by China in the pursuit of its policy to reunite Taiwan to the Mainland.

In sum, all of the arrangements are hub and spoke in nature, linking the US with individual partners, and eschew 'horizontal' obligations between and among the US's various partners.

Nevertheless, it is possible to speak of a Trans-Pacific security community, linking the USA, ROK, Japan, Taiwan, Australia, New Zealand, the Philippines, Indonesia, Thailand and Singapore.

All of the countries on the Western side of the Pacific have had and continue to harbor serious domestic and international security concerns that have led them to conclude that reliance on US military power is essential to their long term security. The nature of the security threats have differed considerably over time and circumstance: fear of communist aggression or infiltration, fear of population movements arising from domestic instability, fear of Islamic fundamentalism, concern about the significant rise in piracy. Each of these countries on the Western side of the Pacific believes that the US can provide a range of options to enhance their own security, from warding off armed attacks by domestic insurgents, to ensuring maritime security in the major sea lines of communication, to providing training to military forces engaged in actual or threatened domestic insurgencies.

These countries share a concern about the long term objectives and future role of China, in matters of security. They know that, professions of 'peaceful development' aside, the People's Republic of China has had military confrontations with UN forces in the Korean peninsula, with India, the USSR and Vietnam. China took over some of the Paracel Islands in 1974; became more aggressive in the Spratlys in 1988; and took Mischief Reef after the US withdrew from the Philippines in the mid-90s.

Security concerns however are not the only source of affinity among the countries of the Trans Pacific security community.

Equal in cohesive force is the fact that these countries, to varying degrees, share fundamental values. They believe, even as they implement them with varying degrees of commitment, in the essential values of human rights, rule of law, democratic governance and the peaceful resolution of conflict. To a surprising degree, given the differences in culture and history, they believe that there are limits to the power which governments should be allowed to exercise in the governance of their own people.

In this regard, many people in these countries again fear the power of China, as a country that does not share the commitment to human rights and rule of law to the same degree and in the same manner that it exists in their own countries. They may have differing perceptions of China's long term military ambitions, but they wonder if a country not committed to the rule of law domestically will adhere to the principles of the rule of law internationally.

Of course, values can differ even among this community. New Zealand's rejection of nuclear weapons on moral grounds has clashed with the US's "neither confirm nor deny" policy regarding nuclear weapons on board its naval vessels, resulting in a dysfunctional ANZUS system, at least as far as New Zealand's participation is concerned. Indonesia's commitment to human rights and rule of law is embryonic. To say the least

The Future of the Trans Pacific security community

Of the three communities noted above, the security community will face the most significant long term challenges.

China's security concerns and objectives will evolve in the coming decades. While the direction of this evolution may be subject to considerable speculation - not least in China what is undisputable because it is obvious is China's efforts to increase its power in the region. It is doing so in three ways: expanding military capacity; undertaking an active South East Asian diplomatic offensive; and developing its own security community.

- China's military budget is increasing by 17% per year, according to its own numbers; at an estimated \$60 billion last year, it has surpassed that of Japan; it is focusing military modernization on developing a blue water navy and on RMA; it is believed to aim at eventually replacing the United States as the principal regional military power, although it is probably at least two to three decades from that goal.
- China's 'charm offensive' in South East Asia is active and broad-based, in contrast with that of the USA, which is focused primarily on fighting terrorism. China and ASEAN are negotiating a Free Trade Area. It has provided 'early harvest' of

trade benefits to the poorest ASEAN members as down payment. China has designated ASEAN as a 'Strategic Partner', which actually has substantive meaning in the hierarchy of Chinese foreign relations. China cooperates with the ASEAN countries in the non-traditional areas of security, such as drugs, crime fighting, environment, in contrast with the single-minded US concentration on terrorism. And unlike Condolissa Rice, Li Zhaoxing attends the foreign ministers' meetings.

- China is expanding its security linkages with Russia and its far West neighbours. In 1995, China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan signed the Five Power Treaty on CBMs. Russia has become China's principal foreign supplier of military hardware (including fighter aircraft, destroyers, weapons systems etc). In August of 2005, Russia and China held their first joint exercise, 'Peace Mission 2005'. The Chinese lead Shanghai Cooperation Organization, now with 6 members, has an explicit security role, focusing initially on the fight against 'terrorism, separatism and extremism' but also providing the framework for joint exercises, the first of which was held in August 2003. It is worth noting that none of the member countries are democracies, nor is there much evidence that any believes in limits to national government power.

China's challenge to the USA and, by extension, the Trans Pacific security community, is for the long term. But once again, ASEAN will be the principal regional actor determining whether this community will continue to group the USA and the Western edge of the Pacific, including the sea lines of communication, or be limited to North East Asia and Oceania. The struggle between China and the USA for influence in South East Asia is engaged, even as China and the US collaborate side by side in such institutions as APEC and the ARF. In this competition, 'soft' perhaps more than 'hard' power will determine who will most influence ASEAN policy making, on everything from security collaboration against the new threats of extremism and piracy, to environmental protection and human rights. ASEAN may be best served by a friendly stand-off between the two major powers, but geography and history and the Chinese diaspora make China an unavoidable reality in every country of the region.

The US will have to maintain a high level of interest and engagement not only in the Trans Pacific Security Community, but also in the ASEAN led political community and the Trans-Pacific security community if it I to maintain its leadership. Canada is neither a member of ASEAN, nor a formal US ally in the Asia Pacific region. But it is, in important ways, linked to all three communities.

Of course, we are and have been from the outset a full member of APEC, the representative institution of the Asia Pacific economic

community. It is our principal vehicle for influencing the direction of regional economic policy and regulatory development. But as noted above, because APEC gathers national leaders together on an annual basis, it can be and must remain the primacy tool for our overall political commitment to the region. We are the fourth largest economy of the APEC family. Our immigration policies provide an 'Asian complexion' to our Canadian family. Our standard of living, our leadership in science and technology, and connections to global supply chains will increasingly play themselves out in Asia. APEC should be given the same policy priority that we also give to the G8 and our institutional relations with the EU.

We are part of the ASEAN-led political community, through our long-term 'dialogue partner' status and our participation in the ARF. The ARF's 'soft' agenda is completely compatible with the thrust of Canada's peace and human security agenda. Good ideas and ministerial attention will guarantee our place at that table.

Our security ties to the United States are through NORAD and NATO. But we retain residual responsibilities as a member of the Korean Armistice. Indeed, Canadian Forces have access to Japan through the UN Status of Forces Agreement that continues to underpin the UN's role on the Korean Peninsula. While Canada has no formal commitment to engage in the Koreas in the event of conflict, our membership in the UN and the growth of our economic interests in the Asia Pacific,

not to speak of our values, will likely require that we be engaged in any action in the peninsula arising from DPRK aggression.

The nations on the Western and Eastern coasts of the Pacific Ocean are enjoying unparalleled prosperity and, despite many sources of conflict and instability, peace in the region. The prospects are that this situation can prevail. But for that to happen, all countries must seek it to happen.

The three communities which variously group the countries of the region and their interests are contributing to the present state of affairs. These communities have been effective and working in harmony, due not only to the commitment of their members, but due to an effective division of labour. They are proving that while geography remains important, a harmony of interests is the determinant in the long term promotion of peace and prosperity.

Joseph Caron
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