

**The Social Construction of International Institutions –
ASEAN+3 and the Eastern Enlargement of the European Union**

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1 INTRODUCTION

Slowly but steadily, a new international institution is emerging in East Asia: the ASEAN plus three forum, comprising the ten members of the Association of Southeast Asian Nations (ASEAN)¹ plus China, Japan and South Korea. ASEAN plus three is an interesting case of institution-building in that it is constructed around the core of an already existing institution, ASEAN, which was founded in 1967. It is therefore appealing to compare the institutionalization process of ASEAN plus three with parallel developments in Europe. The European Union (EU), the grand example for every integration process in the world, is also going to enlarge by accepting new members in 2004.

The following comparative analysis of these two multilateral institutionalization processes seeks to answer two theoretical questions: (1) Why do states cooperate? and (2) What happens to their interests and identities once they communicate with each other?—In view of this task, I will offer a social constructivist variant of International Relations theory (IR) to explain the recent instigation of the two processes on the one hand and the processual construction of the two institutions on the other. The underlying belief is that states not only influence the development of international institutions, but the institution can exert influence on foreign policy behaviour as well.

The here introduced approach recognizes that international reality is a social construction driven by collective understandings, emerging from social interaction. In this respect, the developed explanation of the initiation of the idea of enlargement and the subsequent development of the institution recognizes the existence of both material and normative grounds of foreign policy action. It differs from Neoliberal Institutionalism because in this theory as well as in Realism collective interest is assumed as pre-given and hence exogenous to social interaction (e.g. Wendt 1994: 389; Ruggie 1998: 118-119). In contrast, we suppose that social interaction ultimately *does* have transformative effects on interests and identity, because continuous co-operation is likely to influence intersubjective meanings.

The course of analysis corresponds with Moravcsik's tripartite analysis of integration decisions: while the initiative phase refers to the formation of state preferences, the second and third involve the dynamic aspect of "constructing" international institutions: the outcomes of interstate bargaining and the subsequent choice of the institutional design (Moravcsik 1998: 2-9 and 26).

2 PROCESSES OF INTERNATIONAL INSTITUTIONALIZATION

2.1 Initiation of Communicative Processes

The main question to be addressed in this article is what kind of pressures lead to communicative processes in international politics and how initially self-interested actors eventually "learn" to consider the interests of others as if they were their own. Let us thus look at what makes international interaction or communication possible in the first place. One can assume that states initially engage in pro-communicative activities for egoistic reasons, e.g. because state goals cannot be pursued unilaterally. This is a functionalist argument. It depends on a mechanism of functional institutional efficiency in order to account for social change. Yet,

¹ Indonesia, Malaysia, the Philippines, Thailand, Singapore, Brunei, Vietnam, Laos, Myanmar, Cambodia.

functionalist theories can only explain initial short-term, behavioral cooperation, i.e. the impetus for engaging in communicative action, but fail to account for the development of long-term communal collaboration (for a critique cf. Sterling-Folker 2000). On the other hand, the social constructivist model maintains that agents themselves are in process when they interact, which means that their very properties rather than just behaviours are at issue. Interdependence, common fate and a homogenous culture can in this sense be seen as "independent variables", good for instigating states' engagement in communicative processes (Wendt 1999: Chapter 7).

In the classical definition of Keohane's and Nye's Power and Interdependence, the concept of *interdependence* refers to a state of mutual dependence, i.e. a situation in which one actor is being determined or significantly affected by the forces of another actor. Interdependent relationships always involve costs, since autonomy of choice is restricted. Such a situation can either imply mutual losses or gains. It is the asymmetries of interdependence that provide sources of influence for states in their relations with other states (Keohane and Nye 2001: Chapter 1). Interdependence can occur in the economic field—e.g. through growing international trade—but also in the political, as Buzan puts it in his definition of a regional security complex:

It is possible to identify regional *security complexes* as sets of states whose national securities are sufficiently interdependent that it is impossible to consider them separately. (Buzan 1998: 71)

Buzan's definition of a security complex shows how closely the concept of interdependence is connected to a second possible reason for a country to engage in communicative action, i.e. *common fate*. States face a common fate when the existence or interests depend on what happens to a group as a whole. The difference is that interdependence implies an interactive moment while common fate has no such insinuation, it "is constituted by a third party which defines the first two as a group" (Wendt 1999: 349).

Finally, another possible cause for engagement in communicative action is *homogeneity*. In the case of states the variation could be in their domestic regime type—democracy or authoritarianism, capitalism or socialism—, but it also entails a subjective dimension in that states categorize themselves as being alike with regard to the features that define a group (Wendt 1999: 353-354).

As has been said before these variables serve the purpose of setting off a state's engagement in communicative processes. Yet they seem to be inadequate for explaining the erosion of egoistic identities over time and the creation of collective ones. Few institutions will be steady if their members are occupied by an on-going reckoning over whether norm-conformity serves their individual interests. Consequently, we assume that identities and interests are a continuing outcome of interaction, not just an input into the institutional process. However, the question *why* identities and their corresponding interests are transformed in the institutional communicative process has not been answered satisfactorily. One question remains: What makes states change their respective standpoints in the institutional communicative context? We have seen that interdependence, common fate and homogeneity can be "efficient" causes of pro-communicative engagement, which will eventually lead to a transformation of state identities. But this process can only ensue if states can surmount their apprehension of being engulfed by those with whom they would identify. The principle of "reflected appraisals" introduced into IR theory by Wendt helps solve this problem. If one state treats the other as if it were a friend, then by this principle it is likely that the state internalizes that belief. (Wendt 1999: 327) Creating a basic *confidence* is therefore the fundamental problem of international institution-building.

In the next section, I will show how this process can be analyzed. At the center of the here introduced approach stands the analysis of discourses, i.e. the exploration of speeches, writings, interviews, conversations and so on. The study of identities through discourse analysis has become common in IR (in particular Larsen 1997). A central aim of the following outline will thus be to prove the inextricable link between the role of identities, language and discourse in international politics.

2.2 Institutional Discourses

The existence of a collective identity can be explored through the analysis of institutional narratives, which reflect the existence of a communal identity. Consequently, this paper looks at discourses within East Asia and Europe, focusing on the articulation of nation, state, region and institutional identity as a tool to answer the above presented questions. It is the social interaction within the institutional setting that is of interest for the analysis. In order to explain what is going on, to grasp the intersubjective quality of convergent expectations—as the constitutive basis of regimes (Kratochwil and Ruggie 1986: 764)—we have to look at institutional discourses. Our basic level of analysis is the international system as an ideational structure that gives meaning to material capabilities of states. Since the nature of international relations is determined by the ideas and beliefs that states have about each other, and these are constituted principally by social rather than material structures, our unit of analysis has to be the state. In so doing we do not have to scrutinize in detail what the state is made of:

Even if we lacked detailed knowledge about actors and their intentions, we should be able to explain, and even predict, patterns of their behavior if we know the structure of rules in which they are embedded. (Wendt 1999: 184)

It is, in other words, the social structure of the system, the communication processes that occur in the institutional context, that will be emphasized in the analysis; it is the 'material world' of institutional actors, the institutional-identitive linkages that have to be explored in the empirical scrutiny; it is discourse analysis that helps us come to terms with the rearticulation of identities over time and that helps us comprehend the interpretative schemes that insert meaning into state interests (Wæver 1995). In this sense, discourses are treated as possible sources of foreign policy (Larsen 1997: 21) in that they construct social identities of actors, which eventually constitute state interests.

The most important question then is how we study discourses as a means of explaining the transformation of state identities in international regimes. The first aspect that is of relevance here is the exploration of repetitive statements in major speeches of government representatives because those speech acts "convey the logic of the government as they wish to express it." (Hoffmann and Knowles 1999: 17) The question whether the speakers really mean what they say is of relative unimportance in this respect, for it is not the speakers deeper intentions or convictions that we are interested in:

An advantage of this approach (discourse analysis) compared with psychological approaches studying perceptions and belief systems is that it stays totally clear of any relationship to what people really think. It is not interested in inner motives, in interests or beliefs; it studies something public, that is how meaning is generated and structured [...]. (Wæver 1995: 254)

Whether or not political actors really mean what they say is of minor importance because they will always put forward their arguments strategically; both opportunistic and honest argu-

ments have real consequences for their advocates and the outcome of the debate (see also Schimmelfennig 2001: 66).

The approach corresponds with the concept of collective identity formation. A discourse is able to establish a dominant perception of reality for all those participating in the communicative process. Once a discourse has achieved dominance "it can draw around itself a cloak of normalcy" (Hoffmann and Knowles 1999: 15). If it is reflected in the speech acts of all interacting agents, we can speak of collective identity. Our focus will thus be on intra-institutional discourses, i.e. the deliberations leading to the emergence of a dominant institutional discourse.

While an analysis of a domestic discourse on a particular topic faces the problem of a boundless amount of available actors and sources, the fund is much easier to survey if limited to the international system. The study concentrates on speech-acts of decision makers that directly refer to the international institution, official statements concerning the institution, representative declarations and communiqués. In detail, we will bring together

- official statements by heads of states and governments, their respective foreign, finance and trade ministers as well as state secretaries of foreign affairs on issues of regional co-operation,
- press releases and summaries of press conferences by the member governments,
- background information issued by the various governments concerning ASEAN plus three,
- joint statements by the heads of states or foreign ministers of the ASEAN plus three countries and
- official speeches held by delegates during the ASEAN plus three forum.

I will first aim at identifying the key discursive formations surrounding the instigation of ASEAN plus three and the EU enlargement respectively. This could be visions of a united Asia/Europe or concepts of segregating the region from the rest of the world. In a second analytical step, I will examine the various discourses within the institutional framework and see how they interrelate and how they are adjusted in the process of interaction. Possible discourses could problematize interdependence, common fate, homogeneity or reciprocal responsibilities as members of the region. I expect to be able to detect dominant discourses that hint at the development of a collective identity within the regional context. Before starting the discourse analysis, however, a brief outline of the history of the ASEAN plus three forum on the one hand and the EU enlargement process on the other since the end of the Cold War (the "initiation of communicative processes") will be given in the first section of each of the following two chapters.

3 INSTITUTIONALIZING ASEAN PLUS THREE

3.1 Initiation of communicative processes

The seeds for a genuine regional cooperation process combining both the Northeast and Southeast Asian subregions has been sown by Malaysian Prime Minister Mahathir in his proposal for an East Asian Economic Grouping (EAEG) in the early 1990s. This initiative was instantaneously torpedoed by non-East Asian countries (Low 1991). But Japan, as the most crucial participant from Northeast Asia, also held back support due to concerns that its membership would antagonize the USA, its closest ally. However, ASEAN tried to save the idea by proposing an East Asian Economic Caucus (EAEC) within the framework of APEC (Layador 2000; New Straits Times, 27.5.1996; Asia Times online, 8 March 2001).

In the next couple of years, the landscape in Asia changed to a great extent, including the formation of new regional institutions like the ASEAN Regional Forum (ARF) or the ASEAN Free Trade Area (AFTA) as well as a new interregional institution, the Asia Europe Meeting (ASEM). The same countries that were the target of the EAEC/EAEG idea came together as one united group for the first time in ASEM, representing the East Asia component of that interregional process at the ministerial and senior official level (cf. Harris 2000: 511). The impetus for cooperation seemed to intensify amid widespread critique of the failure of the International Monetary Fund (IMF) during the Asian financial troubles. With the exception of the Philippines the governments of the affected countries avoided to request IMF assistance until the situation deteriorated. Public support for the IMF reform programs was undermined by the fact that modern social safety nets in the ASEAN countries did not exist at the time. This intensified the perceived pain of restructuring (Lewis 1999).

At that time came Japan's initiative of setting up an Asian Monetary Fund (AMF), which was not realized, though, due to opposition from the West, especially the USA. But it was also immediately rejected by other Asian countries, most loudly by China. Contending that such an institution would be redundant given the presence of the IMF and that it would foster a split between Asia and North America, the proposal was buried for the time being (Bergsten 1998). However, Japan subsequently announced bilateral assistance plans such as the New Miyazawa Plan, worth \$30 billion, and special yen loans, amounting to 650 billion yen (Japan Times, 14.7.2001).

Nevertheless, while already existing within the borders of ASEM, the first East Asian Summit (EAS) was held in Kuala Lumpur in December 1997. It was sponsored by ASEAN and paved the way for what has subsequently become known as the ASEAN plus three cooperation. Before long, a process of steady institutionalization developed within the institution, including ministerial rounds, senior official meetings (SOM) and proposals to establish an East Asia Vision Group. It was in Hanoi in December 1998 where the heads of state or government of the ASEAN members plus China, Japan and South Korea decided that regular meetings be held among them. The next summit meetings took place in Manila in November 1999 and in Singapore in November of the following year. Other meetings of the forum included those of the finance and foreign ministers of the 13 countries.

To call the finance ministerial meeting of May 2000 in Chiang Mai, Thailand, a bedrock for a beginning region-wide financial and economic cooperation would be an understatement. The adoption of the so-called Chiang Mai initiative set a framework for cooperation in the areas of capital-flow monitoring, self-help and support mechanisms, and international financial re-

forms. It seeks not only to switch information on capital flows and smooth the progress of mutual surveillance, but also to set up regional financing arrangements to complement the existing international facilities. The extension of the currency swap accord epitomizes the sincerity of East Asians to strengthen regional cooperation. This makes temporary foreign currency support available for crisis-affected countries in East Asia (cf. Layador 2000: 439; Japan Times, 14.7.2001).

In detail, the 13 countries involved in the process agreed to execute a series of currency swap arrangements between their central banks, consenting to lend each other part of their hard currency reserves if any of their currencies came under speculative pressure. As a result of the Chiang Mai initiative, in May 2001 Japan announced bilateral deals with South Korea, Thailand and Malaysia. Together with the 1 Billion US\$ announced by the ASEAN countries in November 2000, the mutual central bank support comprised more than 700 Billion US\$ in reserves. In July, Japan and the Philippines reached a basic agreement to set up a 3 Billion US\$-peso swap facility as part of the envisaged Asia-wide currency safety net (SCMP, 14 July 2001). Until Spring 2002, Japan has signed swap arrangements with South Korea, Thailand, the Philippines, Malaysia and China; a deal between Japan and Indonesia is well under way. In addition to the pact with Japan, China has another swap agreement with Thailand, while South Korea has also been holding negotiations with Malaysia, the Philippines and Thailand (Financial Times, 13 May 2001; Japan Times, 8 May 2002). Complementing this process are growing currency reserves in the respective ASEAN plus three countries. While South Korea's reserves have risen from 74 billion US\$ to 94 billion US\$ over a period of just one year, China exhibits an even higher growth rate, from 260 billion US\$ to over 300 billion US\$ (FEER, 12 July 2001).

It is this process that requires further explanation. Why do countries such as Japan or China participate in the process? And in what direction do the interests of the members develop? To answer these questions, let us look at the factors that lead to the initiation of ASEAN plus three more closely. It has been argued above that growing interdependence, common fate and a homogenous culture can be seen as variables that can bring about states' engagement in communicative processes. Those factors also matter in the context of the initiation of ASEAN plus three process. They can be identified in the intra-institutional discourse. The first factor that is of importance here is interdependence. It has become clear in the preceding section that it was the Asian financial crisis that eventually invigorated Mahathir's quiescent EAEC project.² Although East Asian and Southeast Asian countries for the first time operated as a unified actor in ASEM, substantial cooperation first started during the crisis. The domino effect of that financial quandary highlighted the "reality of the inter-connection of East-Asian's Economies." (Severino 1999) Two factors apparently contributed to the establishment of ASEAN plus three: interdependence and an external shock. This is expressed clearly by Japan:

If we are lax in these efforts towards integration, we may invite more region-wide upheavels similar to the currency crisis. It is therefore important to understand how and in what sense this region, including Japan, is a community with common fate (MOFA 1999).

A third factor might be called the East Asia factor: it becomes obvious in the discourse over the establishment of the institution that Northeast and Southeast Asia are integral members of a broader concept,³ while it is debated whether Australia and New Zealand are part of the region. As Malaysian Minister of Industry and Foreign Trade Rafidah Aziz put it: "They are not

² Other authors reach the same conclusion. See for example Layador 2000.

³ Cf. Japan Times, 9 October 2000, for this idea.

[part of] East Asia. They will have to fit into the APEC process." (Asia Times Online, 8 March 2001). Contrary, in January 2002 Japanese Prime Minister Koizumi presented his vision of a vast trading zone covering ASEAN, Japan, China, South Korea plus Australia and New Zealand (for a discussion see *FEER*, 13 June 2002).

Categorically, all three factors are related to each other. The financial crisis compelled many Asian countries to re-evaluate their place in the world. "The crisis has stimulated a new sense of East Asian regionalism and brought the countries closer together," says Tommy Koh, director of the Institute of Policy Studies in Singapore (quoted in *Financial Times*, 13 May 2001).

On the other hand, a negative factor emerges, explaining the growing momentum of regionalism: ASEAN's depreciating state of affairs. The institution's self-esteem seemed to be already low on the peak of the Asian crisis. Its expansion in the 1990s to include such economically weaker and democratically immature countries as Burma, Vietnam, Laos and Cambodia has further undermined consensus (Rüland 2000: 434-438; Kraft 2000: 454-457). And the new diversity makes political goals more difficult to accomplish. Singapore, a founding member of ASEAN, has spoken publicly of the need to "leapfrog" Southeast Asia to further economic growth and investment (*International Herald Tribune*, 26 July 2001). What is more, ASEAN, together with South Korea, has been the most seriously affected by the financial crisis. Particularly important was the effect on Indonesia, which had in the past provided much of the guidance in the group. Paralysed by the severeness of the economic turmoil, ASEAN contributed little to alleviating the crisis, which is commonly seen as diminishing greatly its value (e.g. Harris 2000).

Hence, in the first phase of the institutionalisation process, political leaders in the region considered regionalism as a form of self-help mechanism in times of crises. The idea is very well reflected in a statement by Thai Deputy Prime Minister Supachai:

We cannot rely on the World Bank, Asian Development Bank, or the International Monetary Fund but we must rely on regional cooperation (quoted in *The Nation*, 10 June 2000).

A leitmotif in coming together for the creation of a new institution in East Asia was to mitigate the impact of other probable ramifications of globalization in the future and be able to deal with financial crises independently. It is put forward that through the ASEAN plus three process, the East Asian economies can circumvent following on the structural reforms stipulated by the so-called Washington consensus on the height of the Asian crisis in 1997. Critics have argued that the IMF's demand for taut monetary policy and structural reforms as a condition for its loans failed to restrain the crisis and actually aggravated it.⁴ Summarizing the critique of the IMF during the Asian crisis for the Japanese government,⁵ Tran Van Tho argues that the institution is generally unable to contribute to the strengthening of the supply side of the countries it supports, while its major task is stabilizing the macroeconomic environment. It can help by providing liquidity; yet, it fails when asked for support for real economic activities such as export financing or buttressing banks' lending capability. Moreover, the financial resources of the IMF are rather limited since it is an institution with global responsibilities. He concludes that:

⁴ For a critique see *Business World*, 26 May 2000.

⁵ Tran Van Tho, who is professor in the School of Sciences in Tokyo's Waseda University, chaired the Japan Forum on International Relations Inc. in compiling the report "Economic Globalization and Options for Asia".

In a word, there is a need for a new institution that plays a role complementary to the IMF's. Such a framework cannot be established on a worldwide scale, though, because forming a consensus among a large number of countries will be difficult and require considerable time. In addition, crises are often a matter of regional concern, and it is perhaps only natural that deeply interdependent countries should help each other out (Japan Times, 14.7.2001).

Many analysts agree that the IMF reform measures were too abrupt and too harsh (e.g. Lewis 1999). Furthermore, deeper analysis of documents released by East Asian governments show widespread and open criticism. While the Japanese government points out that the "crises in Russia and Brazil demonstrated the need to look at the risks inherent in the global financial system itself" (MOFA 2001b: 2), the South Korean government directly addresses the need of "reforming the international financial architecture, and enhancing self-help and support mechanisms in East Asia through the ASEAN+3 framework" (MOFAT 1999: 1). Agreeing with this view, politicians such as the Japanese Finance Minister Miyazawa Kiichi and South Korean Prime Minister Kim Jong-pil have from the beginning encouraged an alternative approach to bringing the crisis to an end, advocating that the IMF is incapable of treating poorly performing Asian economies. Instead of IMF-lead reforms, especially Miyazawa promotes an Asian Monetary Fund (AMF) as an alternative solution to the financial upheaval.

The first proposal to set up an AMF was advanced by then Japanese Vice Minister of Finance Eisuke Sakakibara in 1997, but was withdrawn later that year in the face of western, in particular American, opposition. Regional leaders, among them Kim Jong-pil, have henceforth incorporated the plan into several policy proposals, before Miyazawa again recommended supplementing IMF loans through "some kind of regional currency support mechanism [...] funded by countries in the region that are strongly dependent upon each other in the fields of trade and investment and that are conducting continuous dialogue with each other on their policy directions."⁶

Advocates of the idea offer two arguments in support of an Asian Monetary Fund. First, a regional monetary fund could endow the regional economies with additional subsidies, reinforcing the IMF's role as a lender of last resort. Second, such a regional mechanism could dispense macro- and micro-economic guidance for its member states (Lewis 1999), which the IMF cannot. Much of the dynamics in this process depends on the dominant economy in the region: Japan. And—analyzing the discourse over the Japanese role in the region—one can state that Tokyo's own view as well as that of other member countries of the forum shifted markedly since the mid-1990s, from being a support player to the United States to one that seeks a more central role for itself.

All in all, the members of the forum obviously not only considered it a good opportunity to deal with the interdependence of their economies, but also as the acceptance of the idea that a single fabric of financial and monetary security embraces both Northeast and Southeast Asia, i.e. a typical state of a common fate perception. We will see in the next section that shared perceptions of reality often tend to create common identities in the long run.

3.2 Processes of Institutionalization

What has begun as a mechanism in opposition to the demands of the IMF for tight monetary policy and structural reforms soon turned out to be an institution that is able to increase the region's negotiating position in talks with the global financial institutions, the WTO and

⁶ Cited in Lewis 1999.

APEC. It is steadily developing into an East Asian pressure group in this network of institutions, pooling forces by joining international organizations, and engaging in "cooperative balancing" for these processes.⁷ The Chiang Mai initiative is thus seen as a first step of monetary integration in East Asia, finally resulting in a monetary union (FEER, 12 July 2001).

Above this, there is a strong moment of self-legitimation in the discourse. By pointing on the EU enlargement process of including former East and Central European states the ASEAN plus three countries underline a compelling imperative for further institutionalisation.⁸ Member countries argue that this would be built on the principle of subsidiarity where certain functions not effectively served by other mechanisms—the IMF, the Worldbank or APEC—would be performed by this new grouping. Major topics in this context are capital flows, investment and the creation of a self-help support mechanism reducing dependence on funds of the traditional international financial institutions. Continuing in this manner, the institutionalization of the ASEAN plus three process will likely result in the reduction of dependence on institutions such as the IMF and the World Bank for monetary and fiscal assistance and development needs.

During the institutionalization process, new topics either emerged or initially formulated policy goals, such as in the security field, were filled with substance. In the first phase of the gathering the forum seemed to be yet another talk shop with no substance, as one can deduce from a statement of the Japanese government:

Major issues of the Meeting: Exchange views informally on the political and economic situations of the region and the international community, as well as on the development of relations with other regions. Exchange views on the prospect of and future measures for the East Asian economies, taking into account the present economic and currency situations there, with the primary focus on the "perspective of East Asia in the 21st century." [...] (MOFA 1997)

The exchange of views soon resulted in substantial cooperation though. In November 1999, a plan for an East Asian Security Forum was put forward by the Philippines. Additionally, in the 33rd ASEAN Ministerial Meeting of July 2000, the ASEAN foreign ministers examined a possibility for the implementation of their Joint Statement of November 1999, which encompasses economic, social, financial and political cooperation among the member countries. The economic ministers of the group finally produced a deal on cooperation in information technology when they met in Cambodia in May 2001—a high priority area for development throughout the region (Japan Times, 5 May 2001).

Other topics of possible cooperation were introduced by then Japanese Prime Minister Mori Yoshirô:

- cooperation in the IT-sector,
- anti-piracy,
- further development of currency swap agreements,
- initiation of the so-called "Millenium Forum – Voice of Asia",
- cooperation within the WTO, and
- cooperation for the early realization of United Nations reforms (MOFA 2000a, 2000b).

Other countries suggested the following fields of collaboration:

⁷ The term was introduced by Link 1998: 9; it is explained in Rüland 2000: 433.

⁸ For this argument see also Chongkittavorn 1998.

- cooperation for Mekong River Basin development (China, Thailand and Myanmar),
- launch of a new round of trade negotiations at the WTO (China and Thailand),
- cooperation in IT-development (China and ROK),
- participation of North Korea in the ARF (Indonesia and ROK),
- cooperation with regards to political stability in Indonesia, and
- a regional code of conduct for the South China Sea (Indonesia) (FMPRC 2000; MOFA 2000c; MOFAT 1999).

The institutionalization within ASEAN plus three is in consequence also about community building that is facilitated by dialogues on issues of common concern that subsist outside the security and economic realms but concern social problems. What is particularly important in this respect is the backing of this development by Japan, which endorses "cooperation for Asian countries to build up social safety nets in order to minimize unexpected negative impacts of globalization on their economy and society." (Japan Times, 14 July 2000). The Japanese government already dubs itself "a 'sworn friend' of Asia [that] must actively provide Asian countries with resources in the areas of people, goods, money, and information." (MOFA 2001b) On the other hand, ASEAN members seem to uniformly appreciate assistance by the biggest economy, especially assistance in the wake of the financial crisis, as can be seen from remarks by Ali Alatas, Foreign Minister of Indonesia:

I look forward to its [Japan's] playing an important role in our common endeavours to soften the social impact of the financial and economic crisis upon our peoples, and eventually to overcome that crisis altogether (DFA Indonesia 1999).

This view seems to be representative for ASEAN, as one finds similar or comparable statements in speeches by representatives from other ASEAN countries. To quote further examples, former Foreign Secretary Domingo L. Siazon of the Philippines goes so far as to aspire that ASEAN plus three "can be the embryo for a free trade area in East Asia", calling Japan a "major partner" in the process of economic and monetary integration (DFA Philippines 2001); and Surakiart Sathirathai, Minister of Foreign Affairs of Thailand sees ASEAN plus three's *raison d'être* in "narrowing the development gap within ASEAN and between ASEAN and East Asia." According to Sathirathai, "[through] the strengthening of financial and capital market linkages, the financial field will be another area of potential growth in this region." (MFA, Thailand 2001: 4)

Consequently, the long-term goal of a cooperative monetary regime in East Asia has repeatedly been outlined by Japan. In an interview in January 2000, Sakakibara Eisuke, former state secretary of the Japanese finance ministry, strongly advocates that kind of collaboration (World Bank, 12 January 2000). In line with the Japanese position, other Asian countries also encourage expanded cooperation in social and cultural fields. As Malaysian Minister of Industry and Foreign Trade Rafidah Aziz sees it, integration in areas like youth, academic and media exchanges should begin right away. Building on further exchange in these fields, the minister says officials of the 13 participating countries can begin work on a customs compendium for the region (Asia Times online, 8 March 2001; MOFA 2001a). Accordingly, politicians from China, Japan, and South Korea reached agreement at the Singapore summit in March 2001 to begin a study to examine the feasibility of creating an East Asian economic community of the ASEAN plus three members (Ibid.).

The strategies for reaching economic unity in a common market nonetheless still vary from country to country. Whereas Japan and Singapore bolster the creation of Free Trade Areas (FTA) in the region, Malaysia's concept of integration does not necessarily mean the conclu-

sion of such treaties. Instead, together with South Korea, it favours a broader approach to economic integration which would create a wider range of mutual support and benefits. Yet, China in November 2000 individually proposed an integration scheme with—according to the Chinese government—more potential than the bilateral trade agreements: an ASEAN-China free trade area. ASEAN hailed the proposal, but seems to be worried about the growing competitiveness of China, especially in light of its approaching entry into the WTO (JT, 29 April 2001).

This in turn led to the Japanese government's decision to set up a study group on the conclusion of a free trade pact with ASEAN. Observers see this as a bid to compete with China (Ibid). Japan coins this strategy a "multilevel trading policy". As in the past, however, different identities seem to constitute Japan's at times contradictory behaviour in the process. On the one hand, Japan tries to emerge as a leader in the region, while on the other hand trying to maintain its close political and economic relations with the USA. This is the reason why Tokyo has so long been reluctant to sign FTAs. It feared that this could lead to regional protectionism and criticism by Washington. Hence it has only recently accepted the idea as a way to complement multilateral trade liberalization under the WTO and as a strategy to balance worldwide moves into the same direction.

Nonetheless, East Asia is making progress towards being less dependent on the United States in situations of crises by establishing structures of financial crisis management independent of active U.S. participation, at the same time consciously segregating itself from the American hegemony. The concept of Asia was a dominant concept on the agenda behind the debate of Asianization throughout the 1990s and into the new century. During the communicative process, especially the region's dependence on the dollar has come to be viewed as problematic; as Japanese Finance Minister put it on the height of the Asian financial turmoil: "It is now widely acknowledged that maintaining a virtual peg to the U.S. dollar was one of the main reasons for the crises in the emerging economies in Asia." (MOF 1998: 2) There are increasing expectations on the yen to assume a role complementing the dollar (e.g. JT, 4 May 2001). This can be seen from the efforts of the ASEAN plus three countries in giving fresh impetus to the painstaking process of creating a regional currency safety net under the Chiang Mai initiative. Even China announced its participation in the process, hereby supporting the Japanese idea of a permanent monetary fund in East Asia. In times of increasing interdependence and exchange between the countries in the region, China for the first time actively engages in a multilateral regional institution. As Premier Zhu Rongji, attending an ASEAN plus three Summit, put it:

While pushing for financial cooperation, we should explore measures facilitating trade and investment so as to strengthen exchanges among the business community and promote free passage of information, goods and investment within the region. East Asian countries can exchange views on regional and international issues of common concern so as to strengthen coordination and enhance mutual understanding and trust (FMPRC 2000).

For the time being, China's participation is mostly symbolic and can therefore not be explained in a functionalist manner, except when long-term calculations are taken into consideration. Neither Japan nor China are expected to see short-term liquidity or balance of payment crises. Japanese participation is even more surprising since Tokyo is unlikely to need yuan in the near future. From a functionalist perspective, one can thus only conclude that future gains in a more integrated East Asian economy is what lies behind the two countries participation in the institution. Yet, there seems to be more in the process, which can not be explained in functionalist-utilitarian manner.

Undoubtedly, the ASEAN plus three process first and foremost followed the aim of increasing the potential of the North- and Southeast Asian subregions for cooperation in the fields of financial, economic, political, and even social dimensions of regional cooperation. The gains are not flowing only in one direction; there are also rewards for the three Northeast Asian countries; and judging from the hopes and expectations that all member countries share with regards to the institution, more ambitious speculations can be raised on what the process can lead to in the future. In other words: An East Asian economic community, comprising a free trade area and an Asian Monetary Fund, is now an evident possibility. Moreover, the IMF has widely been criticized for its alleged failure during the Asian financial crisis; on the other hand, a new multilateral trading round within the WTO is not in sight. Considering this, what other options do the East Asian governments have but to approach financial cooperation and trade liberalization in other ways?

In Southeast Asia, ASEAN's problems reflect an atmosphere that the region's economic and political arrangements have never been so in flux. This is definitely one source of meddling with the regional economic and financial architecture through new multilateral initiatives such as ASEAN plus three. Unless ASEAN redefines its goals within the present regional and international landscape, the new, broader forum will replace it sooner or later. By now, ASEAN plus three is already regarded as an assertion of its separate and distinct regional identity; still others define the process as a claim of Asians to deal with their own economic and financial troubles independently of existing regional and global mechanisms such as the IMF, the World Bank or APEC. Many Asian governments now wonder whether regionalism rather than global multilateralism may be the way of the future.

The Chiang Mai accord of May 2000 was definitely a good start in furthering talks on the establishment of an Asian Monetary Fund. Since that date, the region's countries for the first time take an active concern in their neighbour's economies in a multilateral framework, on the one hand contravening ASEAN's tradition of non-interference in other state's internal affairs, on the other hand binding the three Northeast Asian countries far more closely to the Southeast Asian neighbours by substantial financial collaboration. There is, though, still a lot of work to be done. Important bilateral agreements under this initiative have been linked to the consent of the IMF for drawing down major parts of credit lines. If, for example, a member needs to draw more than 10% of its agreed credit facility with the Japanese central bank, it needs IMF approval (FEER, 12 July 2001). This allows South Korea to draw only 200 million US\$ from the fund, a sum that would hardly suffice in a liquidity crisis.

However, many observers contend that a process of enhanced cooperation between the ASEAN members and China, Japan and South Korea could wear down long held animosities and distrust in the long run and build confidence over time (e.g. Layador 2000; MOFAT 1999: 2). I would go a step further in arguing that region-wide community building and the formation of a collective identity is hitherto under way. There is a strong moment of reciprocity in the process. With the exception of Japan, a factor that binds the members of the group is their still existing capacity for economic growth—now that the financial crisis is over. However, Japan needs the export and resource market in the neighbouring countries to fuel fresh growth in the future. Regional identity is further strengthened by the fact that the regional liquidity fund that is slowly evolving will give the member of ASEAN plus three greater autonomy in a crisis.

This shows that the concepts of interests and identity cannot be separated. In international politics, identity can be treated as a property of states that generates behavioral and motivational dispositions. Interests can thus change during the process of interaction. The meanings

of identities often depend on whether other states' representations are the same or different. The formation of a collective identity makes cooperation possible in the first place. The members of the ASEAN plus three process are still rational, but the basis on which each member calculates its interests is the interest of the group. And it becomes obvious that new communicative processes are emerging within the institutional context. As the Japanese Diplomatic Bluebook concludes:

On the occasion of the ASEAN+3 (Japan, China, the ROK) Summit Meeting in Manila, based upon a proposal from Prime Minister Obuchi, a trilateral leaders'-level dialogue among Japan, China and the ROK was realized for the first time in the form of a breakfast meeting. [...] the meeting marked an important first step toward trilateral Japan-China-ROK leaders'-level dialogue and the promotion of regional cooperation in East Asia (MOFA 2000c: Chapter I,C,4a).

New proposals and new channels of communication are emerging in the process:

[The ASEAN+3 governments] noted the bright prospects for enhanced interaction and closer linkages in East Asia and recognized the fact that this growing interaction has helped increase opportunities for cooperation and collaboration with each other, thereby strengthening the elements essential for the promotion of peace, stability and prosperity in East Asia and the World (MOFAT 1999: 1).

To my mind, the logic behind the enterprise has gained ground to an extent that it is already irreversible. The evolving cooperation will require even more communication in the future, and that in turn will open new opportunities for association. Interests and identities will change in the context of the institutional process, not in some asocial space prior to social interaction.

4 INSTITUTIONALIZING A NEW EUROPEAN UNION

4.1 Initiation of Communicative Processes

It is certainly true that the preferences of the members states of the EU play an important role in the negotiation process that lead to the decision to expand the community eastward. Yet, the actual decision to enlarge the EU can hardly be explained through utilitarian considerations alone (see also Schimmelfennig 2001: 49). Throughout the 1990s and until today, member states' preferences with respect to enlargement diverged significantly. The union was divided into drivers and brakemen of enlargement.

Table 1: Member states preferences on EU enlargement

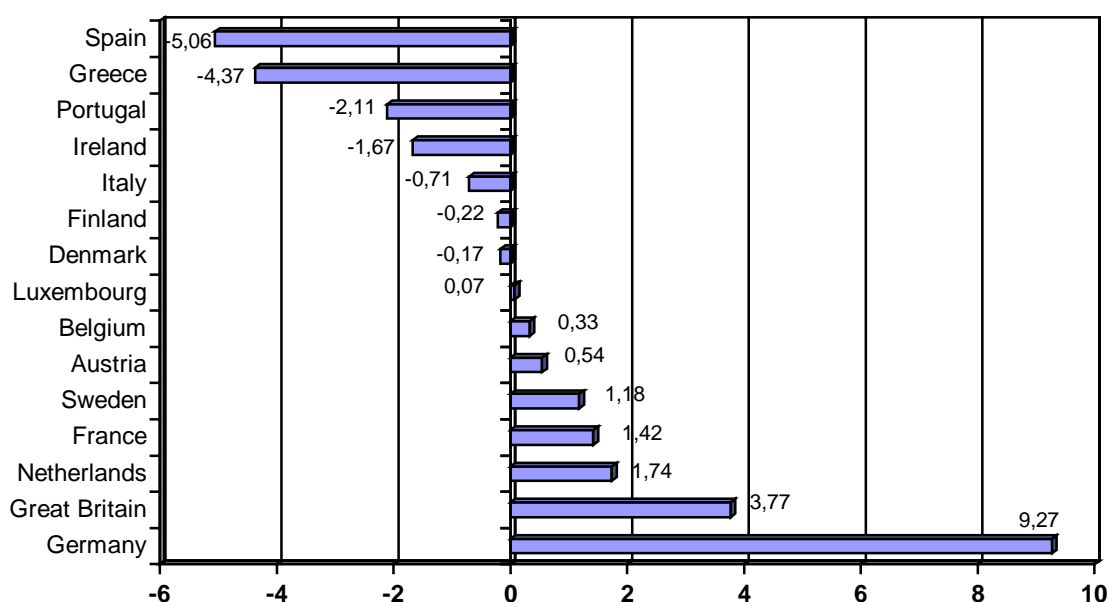
	<i>Limited Enlargement</i>	<i>Inclusive Enlargement</i>
DRIVERS	Austria, Finland, Germany	Britain, Denmark, Sweden
BRAKEMEN	Belgium, Luxembourg, Netherlands	France, Greece, Ireland, Italy, Portugal, Spain

(Schimmelfennig 2001: 50)

Potential losses from enlargement must be included in the analysis when explaining why most member states initially played the role of brakemen in the enlargement process. For the foreseeable future, all potential candidates from Eastern and Central European countries will be-

come structural net recipients. At the moment, there are seven recipients in the EU, while there are eight net financiers in the EU:

Graph 1: Net recipients and net financiers in the EU (Billion Euro, in 2000)



Source: European Commission, *FAZ*, 13 June 2002.

Enlargement will definitely unsettle the existing distribution of the costs and benefits of membership across member states. Moreover, the weaker member states will be against full membership because the candidates-to-be specialize in the same traditional and resource-intensive industries, such as agriculture and textiles (Wennerlund 2000: 2). Specifically, France sided with the brakemen because it feared a power shift in favor of Germany and the northeastern countries of the EU; both Greece and Italy feared that enlargement to Eastern Europe might divert its attention and funding away from the Mediterranean (Bardi 1996), and Greece also concentrated its energy on the admittance of Cyprus to the accession negotiations. Finally, it seems as if the Benelux countries had neither much to gain nor much to lose from enlargement (Schimmelfennig 2001: 53). In their eyes, the expected gain of the European Union could also have been raised by just associating with the Central and Eastern European countries. By means of formal association, economic involvement of Western European companies in Eastern Europe could have been facilitated, without providing the Eastern economies with budgetary help from the EU. All in all, the disincentives were greater than the motivation to include several new member states into the EU. They reflect considerations of individual national welfare and security considerations of the EU member states. It is difficult to anticipate early admission of new member states on the basis of such diverging opinions.

Yet, soon after the breakdown of the Berlin Wall in 1989 everything pointed into the direction of EU enlargement within 15 years. As many as ten Central and Eastern European countries had signed association agreements with the EU by 1995. The so-called Europe Agreements cover trade-related issues, political dialogue, legal approximation and other areas of cooperation including industry, environment, transport and customs. Their aim was to progressively

establish a free-trade area between the EU and the associated countries, on the basis of reciprocity but applied in an asymmetric manner (i.e. more rapid liberalisation on the EU side than on the side of the associated countries (Enlargement of the European Union 2001: 6-7). As early as in June 1993, the European Council agreed in Copenhagen "that the associated countries [...] shall become members of the European Union", provided that they achieve "stability of institutions guaranteeing democracy, the rule of law, human rights, and respect for and protection of minorities [and] the existence of a functioning market economy "(European Council 1993).

Only two years later, at the Madrid European Council in December 1995, the heads of state and government asked "the Commission to expedite preparation of its opinions on the applications made" and "to take its evaluation on the effects of enlargement on Community policies further", so that accession negotiations with the Central and Eastern European countries could begin after the 1996-97 Intergovernmental Conference (IGC). In July 1997, the Commission presented Agenda 2000, a single framework in which the Commission outlines the broad perspective for the development of the European Union and its policies beyond the turn of the century (Enlargement of the European Union 2001: 9).

In December 1997, at Luxembourg the European Council launched the process that would eventually make enlargement possible. The process embraces 13 countries: Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, the Slovak Republic, Slovenia and Turkey. Accession negotiations with all of them except Turkey are underway, and in June 2001 at Göteborg the European Council affirmed that the objective is to complete them by the end of 2002 with the countries that are ready to join. They will then take part as members in the European Parliament's elections of 2004 (Enlargement of the European Union 2001: 4).

According to the European Commission, the benefits of the enlargement process are both political and economic:

- bringing the zone of peace, stability and prosperity to the neighbouring countries of the EU,
- adding another 100 million people to the EU's market of 370 million, thereby boosting economic growth and creating jobs,
- enhancing the quality of life throughout Europe by increasing environmental standards and intensifying the fight against crime, drugs, and illegal immigration,
- reinforcing the role of the European Union by strengthening its bargaining power in world affairs (Enlargement of the European Union 2001: 5).

Time and again the Commission explained that there won't be any negative effects of enlargement. On the contrary, a growing trade surplus of the EU with the prospective member countries would generate employment and growth in the member states. However, the surplus has declined since the end of the 1990s; it was €14,6 million in 2000 vis-à-vis all ten candidate countries of Central and Eastern Europe. This raised doubts on the side of the EU members that a further liberalisation of market frontiers would benefit the members to be. Undoubtedly, several potentially negative impacts go along with enlargement: Firstly, income disparity within the EU will increase significantly; secondly, the average GDP per capita of the Union will fall; and thirdly, the generally low income levels of the new members imply that these countries will benefit enormously from EU transfers (Directorate General for Economic and Financial Affairs 2001: 7).

Taking into consideration the considerable amounts of pre-accession assistance for the countries of Eastern and Central Europe, it is difficult to explain this outcome in the rationalist framework alone; at the Berlin European Council (24-25 March 1999), the EU has announced it will more than double its assistance to the candidate countries: €3,120 million (1999 figures) is made available annually between 2000 and 2006 through the Phare-Program and two other pre-accession instruments, ISPA and SAPARD, which were introduced in 2000.⁹ Moreover, in December 1999, the Council of Ministers agreed to provide €8,680 million for the lending activities of the European Investment Bank (EIB), for the period from February 2000 to January 2007. The EU itself approved an extension of the EIB's pre-accession facility for lending to the candidate countries for an amount of up to €8,500 during a period of three and a half years (Enlargement of the European Union 2001: 14, 18).

To soothe the diverging interests in enlargement within the EU, the Commission submits regular reports to the Council, which serve as a basis for the Council to take decisions on the conduct of the negotiations on the basis of the accession criteria. The actual negotiations take the form of a series of inter-governmental conferences between the EU members and each of the applicant countries. Following a detailed examination of the different chapters of the *acquis communautaire*, negotiations are opened with the candidates chapter by chapter. There are 31 chapters altogether:

Chapters of the Acquis

Chapter 1	Free Movement of Goods
Chapter 2	Freedom of Movement for Persons
Chapter 3	Freedom to provide services
Chapter 4	Free movement of capital
Chapter 5	Company law
Chapter 6	Competition policy
Chapter 7	Agriculture
Chapter 8	Fisheries
Chapter 9	Transport Policy
Chapter 10	Taxation
Chapter 11	Economic and Monetary Union
Chapter 12	Statistics
Chapter 13	Social Policy and Employment
Chapter 14	Energy
Chapter 15	Industrial Policy
Chapter 16	Small and medium-sized Enterprises
Chapter 17	Science and Research
Chapter 18	Education and Training
Chapter 19	Telecommunications and Information Technologies
Chapter 20	Culture and Audio-Visual Policy
Chapter 21	Regional Policy and Co-ordination of Structural Instruments
Chapter 22	Environment
Chapter 23	Consumers and Health Protection

⁹ The Phare programme is one of the three pre-accession instruments financed by the European Communities to assist the applicant countries of central Europe in their preparations for joining the European Union. It has been providing support since 1989. The basic orientations of Phare were adjusted in 1999 to reflect the coming on stream of SAPARD in agriculture and rural development and of ISPA in transport and environment infrastructure. The principal adjustment was to redirect Phare's liberated funds towards tackling the issue of economic and social cohesion. (What is Phare?, <http://europa.eu.int/comm/enlargement/pas/phare/intro.htm#1.Introduction> [15 June 2002.]

Chapter 24	Co-operation in the fields of Justice and Home Affairs
Chapter 25	Customs Union
Chapter 26	External Relations
Chapter 27	Common Foreign and Security Policy
Chapter 28	Financial Control
Chapter 29	Financial and Budgetary Provisions
Chapter 30	Institutions
Chapter 31	Other

In a few words, the economic conditions for accession are the existence of a functioning market economy and the capability to manage competitive pressures and market forces within the EU. The negotiations are strict; the Commission proposes common negotiating positions for the EU for each chapter, which are approved unanimously by the Council. A chapter is regarded as "provisionally closed" with a candidate country when the EU notes that the chapter does not necessitate further negotiation and the candidate concerned accepts the EU common position. Once negotiations have been concluded on all chapters the results are incorporated in a draft accession treaty, which is conferred to the Council for approval and to the European Parliament for assent (Enlargement of the European Union 2001: 23, 25; Directorate General for Economic and Financial Affairs 2001: 5).

The *acquis* results from successive and hard fought bargaining both within the EU and between the EU members and the applicant countries. The latter are much poorer than the current West European member states¹⁰ and, in fact, "in view of the numerous structural differences between the current and the prospective EU member states, it is difficult to expect there to be a major and durable alignment of their respective political preferences and behaviour after enlargement." (Zielonka/Mair 2002: 1). On the contrary, the acceptance of additional diversity will likely increase the costs of European integration both politically and economically. The actual Eastern enlargement will inevitably bring up questions concerning the inner structure of the EU again. To quote Zielonka and Mair again:

Should vast agricultural subsidies be extended to new members such as Poland or Romania that still maintain a fifth of their labour force in the agricultural sector? Should the greatest beneficiaries of EU cohesion policy, including Greece, Portugal or Spain, agree that most of the cohesion funds now shift to new members from Eastern Europe? Can the existing redistributive system survive the eastward enlargement without a drastic increase in individual states' contributions? (Zielonka/Mair 2002: 7).

Taking these questions into consideration, then why did the EU depart from the association regime and embarked upon enlargement? By opening the doors for enlargement, it is inevitable that some of the entrance criteria are ultimately going to be compromised. Actually, as Wennerlund has observed in his extensive studies on the distributive stakes raised through the enlargement process, the gaps separating most of the applicants from meeting the *acquis* are deeper and more encompassing than in the past, when Spain, Greece and Portugal joined the EC (Wennerlund 2000). And even the Commission concedes that the positive impacts of enlargement on the current members are going to be small:

Accession itself, provided it takes place in the right conditions, can provide a significant further boost to economic growth and prosperity in the candidate countries as well as a positive, but necessarily smaller, impact on the present Member States (Directorate General for Economic and Financial Affairs 2001: 5).

¹⁰ Concerning GDP, the size of the 12 candidate countries in 1998 amounted to less than 5 per cent, whereas in 1980 Greece, Portugal and Spain were equivalent to more than 10 per cent of the 9 members of the EC (Directorate General for Economic and Financial Affairs 2001: 7).

EU officials therefor put focus on the community idea in their statements on enlargement. As the Commission itself sees it, "[b]eyond the economic and political benefits, this enlargement will mean the integration of European countries that share common values and objectives. [...] It will contribute to the reunification of our Continent" (Enlargement of the European Union 2001: 27). It would be a constructivist rather than a rationalist endeavour to explain the decision to enlarge by pointing to the existence of a community of shared values; as Schimmelfennig has shown, from a rationalist perspective, "a community of basic political values and norms is at best a necessary condition of enlargement." (Schimmelfennig 2001: 61). It is – from a constructivist perspective – both a necessary and a sufficient condition for institutional enlargement. I will turn to this argument in more detail in the next section.

4.2 Processes of Institutionalization

As stated at the beginning, social constructivism postulates that actors' interests and preferences must be endogenized. They must be analyzed as the products of intersubjective meanings and social interaction. Correspondingly, rationality must be viewed as "constructed". Constructivism is thus better equipped than rationalism when it comes to explaining why applicant countries are able to secure membership as early as 2004 after a period of intense negotiation and diverging interests within the EU. As an alternative variable, constructivists offer ideas and identity to explain outcomes in international politics.

Already in 1989, the EU was engaged in rhetorically constructing a shared identity with Eastern European countries, while the latter focused on their European roots. It becomes clear that most of the European community members more or less committed themselves ideologically to the integration of all European liberal societies. At their Strasbourg Summit of December 1989, the heads of state and government declared that

[t]he current changes and the prospects for development in Europe demonstrate the attraction which the political and economic model of Community Europe holds for many countries. The community must live up to this expectation and these demands: its path lies not in withdrawal but in openness and cooperation, particularly with other European states [...]. The objective remains [...] that of overcoming the divisions of Europe (European Council 1989).

On the side of the members *in spe*, the Central and Eastern European countries claimed that they belong not only to geographical Europe but also to the European international community, which is based on a common history and a common identity. For example, Hungarian foreign minister Jeszenszky rationalized his country's official appeal for EU membership as the "return to this Community to which it has always belonged." (*Europe* 6204, 6 April 1994); Romanian ambassador to the EU Ene emphasized that "Romania has always been part of West European traditions" (Ene 1997); and the Polish chief negotiator in the association negotiations with the EC, Olechowski, stated that "the 'technocratic approach' is not enough in these negotiations, which have a historic goal: give Europe back to Poland, and Poland back to Europe." (*Europe* 5456, 21 March 1991).

The most obvious conclusion to be derived from these quotations is that European nation-states at this point of time increasingly put focus on "Europe" in the integration discourse, and one of the key features of the discourse are the various parallel and interrelated identity definitions of what "Europe" actually refers to. The high density of social-communicative processes that is emerging between Eastern and Western Europe after the fall of the Iron Curtain affect and shape the identities and interests of the countries in the region to a rising extent; certain qualitative new features of solidarity seem to emerge, Europeans increasingly perceive them-

selves as 'we' in contrast to outsiders. Interestingly, this finding applies to Western European as well as Eastern European countries.

Apart from mere economic interests, full membership for the associated members seemed to be the only means of securing liberal transformation and economic modernization. As Czech president Vaclav Havel put it before the European Parliament in 1994:

Anything else would be a return to the times when European order was not a work of consensus but of violence. [...] For if the future European order does not emerge from a broadening European Union, based on the best European values and willing to defend and transmit them, the organization of the future could well fall into the hands of a cast of fools, fanatics, populists, and demagogues waiting for their chance and determined to promote the worst European traditions." (Agence Internationale d'information pour la Presse 1994: 3).

In the same line of arguments, German president Richard von Weizsäcker, in his 1990 Bruges speech, argued that Europe was faced with an obvious set of alternatives: either integration or a return to nationalist and authoritarian destabilization (*Bulletin* 114, 27 September 1990); and finally, the European Commissioner for enlargement, Günther Verheugen, said that bringing in new members would "contribute strongly to the creation of stability and security in Europe – the best prevention against tensions, violence and conflicts." (quoted in *IHT*, 22 October 2001).

Behind all this stands an emphasis on collective identity and consistency. Even former British Prime Minister Margaret Thatcher, an out-spoken British autonomist, claimed in 1990 that "[we] can't say in one breath that they are part of Europe and in the next our European Community Club is so exclusive that we won't admit them." (cit. in Schimmelfennig 2001: 71). And the representatives of the European institutions followed the call for pan-Europeanism instantly: Right after the 'velvet revolution' in Prague, Commissioner Frans Andriessen stated that "no one who has made the short journey between Brussels and Prague can be unaware that Czechoslovakia is our neighbour; its history is part of our history; its culture and traditions are part of our common European heritage." (*Europe* 5206, 3 March 1990).

Most of the EU documents on enlargement portray the process as consistent with community values (e.g. Commission of the European Communities 2001). In the European discourse, there is increasing attention to European identity and to cultural differences between Europe and the USA, exemplified by debates over governance, the aspiration to combine higher economic effectiveness with social justice, the ban of the death penalty, the opposition against treating culture and language as commodities, differing conceptions of security after September 11, 2001, environmental problems such as the Kyoto protocol and so on (cf. also Olsen 2002: 18).

In a similar vein, an important driving force of the enlargement process is the strong pursuit of rights that is encouraged by the EU institutions. Examples are the Court of Justice, the Commission and the European Parliament. The Preamble of the Charter of Fundamental Rights and Freedoms, proclaimed at the Nice Summit on institutional reform and enlargement in December 2000, spells out the importance of the community values:

Conscious of its spiritual and moral heritage, the Union is founded on the indivisible, universal values of human dignity, freedom, equality and solidarity; it is based on the principles of democracy and the rule of law. It places the individual at the heart of its activities, by establishing the citizenship of the Union and by creating an area of freedom, security and justice (quoted in Fossum 2001: 19)-

It is against this background that proponents of an early enlargement could easily point to the danger of losing credibility on the international scene. Commissioner Sir Leon Brittan maintained that the blockage of association negotiations by some member states due to economic considerations "could affect the Community's credibility." (*Europe* 5564, 11 September 1991). Since 1990, especially France had insisted that work on the Maastricht Treaty be completed before the Community dealt with the question of enlargement; moreover Belgium, France and Italy postulated in 1997 that further institutional reinforcement must come before enlargement (*Europe* 7058, 15-16 September 1997).

Today – due to credibility considerations – it seems as if most of the institutional reforms might come after the first round of enlargement has taken place. Theoretically, that means although rationalist accounts can explain most of the diverse national actors' preferences, they fail to account for the collective decision for enlargement in spite of a delay of institutional reform.

5 CONCLUSION

Both the ASEAN plus three process and the enlargement of the EU can be explained through a social constructivist variant of IR theory in which enlargement is understood as the expansion of international community to new members. Those who share the same values, norms, and, thereby, the same identity are integrating in one institution. At some points, rational considerations were finally turned into normative ones. In effect, both institutions' identities are closely related to a pan-European/Asian culture and history of which the candidate states obviously are an unquestionable part. In Europe, it was the end of the Cold War rather than the prospect of enlargement that led to the realization of the pan-European idea; in East Asia, it was the Asian crisis that led to the institutionalization of the Asian idea.

The evidence that can be derived from the two cases is though still much stronger in the European case. The focus on individual member states' preferences is obviously insufficient to explain outcomes that vary in important ways from the underlying distribution of power in the European Union. Interests are apparently driven by specific norms. While some of the toughest negotiations on agriculture and regional funding are going to be concluded only a short time before actual enlargement, it is even more difficult to see the process through the rationalist lens alone.

In East Asia, it is the deeper institutionalization of ASEAN plus three in the political field that is of particular interest, since this process has obviously go nothing to do with the original *raison d'être* of the forum. While, the common interest of the member countries was to stabilize East Asia after the Asian crisis, the EU aspired to stabilize Eastern Europe by expanding the borders of the EU security community. In this respect, the EU institutions can play a role that Asian institutions cannot yet assume. Especially the Commission plays an important role in providing solutions to many of the coordination problems among member states. Speaking in realist terms, Wennerlund argues that the EU "enhances the capabilities of those actors whose preferences are nearest to those embedded in the institution, biasing negotiated outcomes in ways at variance with the underlying distribution of power." (Wennerlund 2000: 5). Accordingly, the EU institutions become accessible for use by governments and groups in pursuit of their interests. Eventually, this case shows us that institutions are able to influence the bargaining potential of political actors.

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